FINANCIAL TIMES

PUBLISHED IN LONDON AND FRANKFURT

Thursday April 17 1980

No. 28,145

***20p

CONTINENTAL SELLING PRICES: AUSTRIA Sch. 15; BELGIUM Fr 25; DENMARK Kr 5.00; FRANCE Fr 4; GERMANY DM 2.0; ITALY L 700; NETHERLANDS Fl 2.0; NORWAY Kr 5.00; PORTUGAL Esc 35; SPAIN Pta 70; SWEDEN Kr 5.00; SWITZERLAND Fr 2.0; EIRE 20p; MALTA 20c

NEWS SUMMARY

GENERAL

Move to speed Palestine accord

President Sadat of Egypt and President Carter of the U.S. accepted the Israeli proposal that intensified negotiations on Palestinian autonomy should be held in Egypt and Israel in the next 40 days.

Mr Carter and Israeli Premier Menachem Begin expressed optimism after two days of White House talks saying progress had been made and that agreement on autonomy could be reached by the May 26 goal laid down in last year's peace treaty.

But Mr. Begin offered no suggestion that Israel was willing to make other than marginal concessions on key issues like settlement policies.

Iran sanctions

European Commission is expected to produce firm proposals in the next five days for the imposition of EEC trade sanctions against Iran. Back page; Banks ready, Page 3; U.S. pressure, Page 4

Bus crash death

A woman was killed and four people hurt when a double-decker but hit a queue of people and seven cars before crashing into a house at Rainhill, near Liverpool. Five policemen had to restrain the driver.

Kelly verdict

Misadventure verdict was returned by the jury at the Merseyside inquest into the death in police custody of Jimmy Kelly, 53. Mr. Kelly's relatives said they would fight on for a public inquiry.

Kagan remand

Textile millionaire Lord Kagan was remanded in custody in Paris for a further week pending the arrival of extradition documents from the UK where he is wanted in connection with alleged theft and forgery.

Prince flies in

Prince Charles met Premier Robert Mugabe after arriving in Salisbury for the Zimbabwe independence celebrations. Governor Lord Soames introduced the Prince to the new Cabinet. Page 4

Liberia 'rebellion'

Liberian radio station said some troops had rebelled against the new government and killed a member of the ruling People's Redemption Council.

Auction record

The National Gallery failed to secure a painting by 15th century Netherlands artist Dieric Bouts which fetched a record £1.7m at Sotheby's. The buyer was actress Jennifer Jones on behalf of the Norton Simon Museum, California. Page 9

Print warning

National Graphical Association general secretary Joe Wade warned that if employers decide on a lock-out of printers taking industrial action, the pay dispute could hit Fleet Street. Page 10

Briefly . . .

Seven British seamen were hurt when a huge wave struck the freighter Devonshire off South Africa.

China appointed two new vice-Premiers, Zhao Ziyang and Wan Li. Page 4

Two Costa Rican aircraft flew 258 Cuban dissidents to San Jose.

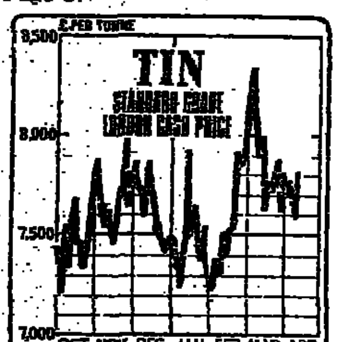
PUBLISHER'S NOTICE

The Financial Times apologises for errors contained in this issue which are due to difficulties in the reading department.

BUSINESS

Gold up $32; equities firm

● GOLD rose in active trading on news of U.S. prime rates cuts to close $32 up at $529.50 after touching a high of $535. Page 37



● CASH TIN closed in London £65 up at £7,815 a tonne after a rise of £155 on Tuesday. Page 39

● DOLLAR fell sharply to DM1.8660 (DM 1.9050). The trade-weighted index was 89 (89.9). STERLING closed 3.25c up at $2.2180. Its index was 72.8 (72.7). Page 37

● EQUITIES were firm on revived institutional demand and the FT 30-share index rose 5.3 to 443.1. Page 40

● GILTS regained early falls and the Government Securities Index up 0.11 to 66.62. Page 40

● WALL STREET was 0.94 up at 784.30 before the close. Page 33

● UNEMPLOYMENT will rise sharply while output declines over the next few years unless high import tariffs are imposed and the pound devalued, the Cambridge Economic Policy Group argues. Back Page; Featur Page 25, Details Page 11

● IMPORT CURBS planned by the EEC on Japanese television were criticised by Thorn Consumer Electronics, the UK's largest set manufacturer. Page 8

● STERLING'S recent strength has put some UK companies in a position to realise exchange profits on foreign debts. Page 10

● SWEDISH inflation in the first three months of this year was roughly double last year's first quarter. Page 2

● MAJOR LENDERS gave strong indications that they have decided to restructure Chrysler's debt, relieve it from some interest payments, and lower rates on other loans. Back Page

● TRAFFIC through UK ports rose by 9 per cent last year to a record 386m gross tonnes, of which about two thirds was fuel. Page 8

● IRON AND STEEL Trades Confederation decided on new talks with Midlands employers rather than authorising a strike by 4,000 steelworkers over a 20 per cent wage claim.

COMPANIES

● GENERAL REINSURANCE Corporation, largest reinsurance goup in the U.S., is entering the direct insurance market by acquiring UK based Trident Insurance Group from Schlesinger Group for a price believed to be more than £10m. Back Page

● BURMAH OIL reported 1979 pre-tax profits up £50.21m to £67.34m, and a final dividend of 5p net, up from 1.5p at the interim stage. Page 27 and Lex, Back Page

● RIO TINTO - ZINC, the mining and industrial group, announced record net profits for 1979 of £149.8m, up £47.5m. Final dividend is 10.5p net, making a total of 15p (11.5p). Page 29 and Lex, Back Page

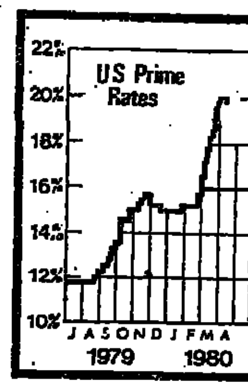
● HAWKER SIDDELEY Group blamed UK industrial unrest and oil price rises for 1979 pre-tax profits down from a record £118m to £107.8m. Page 26 and Lex, Back Page

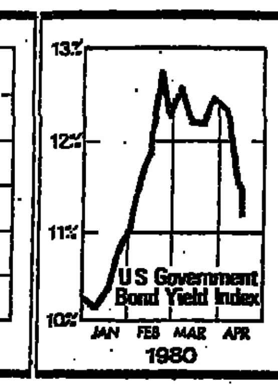
● AMERICAN AIRLINES reported a first quarter loss of $41.9m (£19.05m) against a loss of $6.8m (£3.09m).

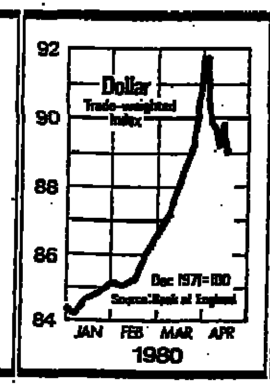
CHIEF PRICE CHANGES YESTERDAY

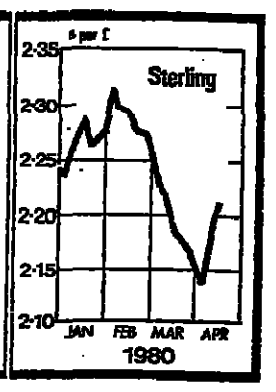
(Prices in pence unless otherwise indicated)

RISES				
Excheq. 10pc '83	£87⅛	+ ⅛	Tarmac	230 + 7
Excheq. 12pc '13-17	£92¼	+ ¼	Thorn EMI	306 + 8
Asscd. British Foods	91	+ 4	Unitech	290 + 15
Berwick Timpo	73	+ 5	Burmah Oil	222 + 7
British Cmwealth.	284	+ 7	Imp. Cont. Gas	740 + 18
Brit. Home Stores	284	+ 9	LASMO	510 + 17
Distillers	207	+ 4	Siebens (UK)	655 + 45
Forward Technology	94	+ 7	Hong Kong Rubber	658 + 43
GEC	384	+ 7	RTZ	380 + 17
GUS A	390	+ 6	Stilfontein	695 + 29
Land Securities	316	+ 9	Unisel	421 + 17
Leigh Interests	136	+ 10	FALLS	
MEPC	209	+ 6	B and Q (Retail)	74 − 4
NatWest Bank	330	+ 8	Bristol Evening Pst.	146 − 6
News Intnl.	158	+ 5	Brocks Group	43 − 11
Richardsons Wstgth.	39	+ 5	Kitchen Queen	15 − 3
Rowntree Mack'tosh	160	+ 10	Smith (W. H.) A	132 − 14
Stylo Shoes	170	+ 10	Cons. Murchison	360 − 20









Chase cuts prime rate to 19¾%

BY OUR LONDON AND NEW YORK FINANCIAL STAFF

A WAVE OF optimism swept through New York's financial markets yesterday in the wake of Chase Manhattan Bank's decision to cut its prime lending rate from 20 per cent to 19¾ per cent.

The move is the first cut in prime rates since they began their seemingly inevorable rise to a record 20 per cent from 15¼ per cent on February 20 in response to the Federal Reserve Board's tightening monetary policy.

It came as Dr. Henry Kaufman, the Salomon Brothers economist who has been grimly but correctly forecasting higher interest rates for two years, shifted his stance. He predicted that "It is now likely that interest rates have reached their cyclical peak and will decline irregularly" as the year progressed.

Dr. Faufman said the prime rate could fall below 15 per cent in the second half of the year and that high grade utility bond yields could move into a trading range of 10½ to 11 per cent from over 12 per cent at the moment.

The Chase move was not quickly followed by other leading banks however, but only by some small regional institutions. While the consensus is that others will fall into line, the banks' desire to maintain their profits and a lingering anxiety about the possibility of a renewed surge in corporate credit demands, suggest that the prime will fall more slowly than it rose.

The Chase move was also greeted unenthusiastically on the foreign exchange markets in the U.S. and Europe where the dollar, which has been reacting badly to declining U.S. interest rates, slumped again.

In Europe, it fell to the lowest level for nearly a month against the Deutsche Mark at DM 1.8660, compared with DM 1.9050 on Tuesday, and showed a similar decline against the Swiss franc and Japanese yen.

Earlier in the day, the U.S. currency had shown a slightly softer trend on fears of further unrest in the Middle East.

Sterling was slightly firmer overall in London, rilsing to 72.8 from 72.7 on the Bank of England index. The pound rose 3¼ cents against the dollar to finish at $2.2180, but showed mixed changes against other major currencies, falling against the D-Mark and Swiss franc, but improving in terms of the French franc, and holding steady against the Japanese yen.

The prospect of lower U.S. interest rates, coupled with the remarks of Dr. Kaufman, led to a scramble for high-yielding paper by investors in the Euro-

Continued on Back Page
Money Markets. Page 37

£1bn gilt stock may be fully sold out

By Peter Riddell, Economics Correspondent

THE NEW £1bn long-dated gilt-edged stock looks almost certain to be fully subscribed when the offer closes this morning.

The rise in gilt-edged prices yesterday morning made the stock—13½ per cent Treasury 2004-08—appear increasingly attractive, especially as only £20 per cent has to be subscribed with tenders today.

The afternoon news of a cut in U.S. prime rates made the outcome look virtually certain, however. Prices of existing longs rose further after normal trading hours to end £¾ up on the day.

The result iis that the new stock is now yielding significantly more than existing similarly-dated issues. So unless there is some sudden adverse news overnight, the main question looks like being the size of the premium over the fully-paid minimum tender price of £95 per cent, either at today's offer or when dealings start tomorrow. Brokers were last night talking of figures between £1 and £2, and there was speculation about a considerable amount of foreign interest.

Full subscription of the issue would mean that the Bank of England had arranged funding for most, if not all, of the Government's borrowing needs over the next couple of months.

BL threatens to dismiss strikers

BY ARTHUR SMITH, MIDLANDS CORRESPONDENT

BL CARS last night told its workers on strike, numbering more than 18,000 to return by next Wednesday or lose their jobs.

In a gamble which puts the whole future of the company at risk Sir Michael Edwardes, the BL chairman, has embarked on a policy of direct confrontation with the Transport and General Workers' Union.

He has refused to compromise in the face of official strikes which are progressively bring the whole car operation to a standstill. His threat to dismiss workers marks a dramatic departure for a State-owned concern.

The TGWU, clearly shocked by what it described as a "provocative" initiative, reaffirmed support last night for workers who resisted the 5 per cent pay offer linked to radical changes in work practices.

Sir Michael can count on support in his tough line from the Amalgamated Union of Engineering Workers, second biggest union in BL, which is urging members to accept the deal. The disarray of the unions would prove an important factor in breaking the strikes.

Mr. Ray Horrocks, managing director of BL Cars Division, in a letter to hte 86,000 manual workers, said: "We are in no shape to recover intact from this or any other strike.

"At the best it means that some plants may never reopen. Even those which appear to be secure may have to be reviewed. There are no safe places."

The company believes that even with an immediate return to work "economies" will be necessary. The impact of the latest outbreak of industrial disruption on sales and profits is thought to make quick action imperative.

Further redundancies, delays in model programmes and plant closures are again under consideration.

The decision to face workers with the ultimate threat of dismissal was approved yesterday by the BL board meeting at Longbridge, Birmingham. It was held there to enable the board to visit facilities for the £285m new car, the Mini Metro, a project now clearly in jeopardy.

The company is gambling that the threat of unemployment—employees who do not report could forfeit back-pay and the right to redundancy money—will force workers back to their jobs.

The tactics have the tacit support of the Government. Mrs. Margaret Thatcher has already appealed to strikers to support Sir Michael, who she described as "one of the best managers British industry will ever have."

Mr. Moss Evans, general secretary of the TGWU, appeared prepared last night to go ahead with the meeting he initiated between leaders of the 11 manual unions and the company, fixed for today. Hopes of a peace formula must, however, have been dashed by the company's uncompromising line.

Mr. Brian Mathers, TGWU Midlands secretary, maintained that the company's "attempts to impose 19th-century solutions" would stiffen resistance and spread the strikes.

In private, many union officials are uncertain how members will react.

Many workers, tired of the uncertainty and continued threat of closures, might be prepared to continue resistance. But the risk of unemployment at a time of recession, and the threatened loss of redundancy pay which many believe will eventually be theirs, could influence them to return.

The impending confrontation is bound to sap employee morale and store up problems for the future.

As walkouts over the past week have demonstrated, workers may fight shy of set-piece union confronations, but will rebel when their own work conditions ar ethreatened.

● More than 600 men and women at the BL engine works at Abingdon have been laid off indefinitely because of a parts shortage caused by the strikes. Shortage of axles was given as the reason for halting production of the MGB range. They are made at the Austin Morris transmission plant at Drews Lane, Birmingham, which is picketed.

At Oxford Exhaustes 150 workers are on strike. After a mass meeting yesterday 60 decided to join 22 in petrol tank production who struck, rejecting new performance standards. Management said the strike was disrupting production throughout the factory.

£ in New York

—	Apr. 15	previous
spot	$2.1980-1990	$2.1980-1995
1 month	0.22-0.27prem	0.38-0.43prem
3 months	0.60-0.65prem	0.60-0.65prem
12 months	0.35-0.50prem	0.45-0.60prem

Earning trend continues upwards

BY PETER RIDDELL, ECONOMICS CORRESPONDENT

THE underlying rate of growth of average earnings has risen to over 20 per cent, the highest for more than four years.

There are, however, wide variations in the level of settlements between various sectors of the economy. The lowest average increases appear to be in manufacturing, where the profits squeeze is having an impact, while the largest rises are in the private services sector.

Department of Employment figures published yesterday show that the index of average earnings covering 21m employees rose by 18.6 per cent in the year to February to 167.3 (January 1976=100). This compares with a revised annual increase of 20.1 per cent in January.

These figures are distored by a large amount of back-pay in the comparable month last year and by the ffects of the steel strike, which cut earnings by about 1 per cent. These factors more than offset the earlier timing of settlements in the current pay round.

The official view is that the underlying rise is 1½ points higher than the published increase. This compares with a rate of just under 20 per cent in January and of 17 per cent last October.

The annual month rate is expected to rise further as higher wage rises in the current round are taken into account.

These figures comare with the estimate on Monday by Sir Geoffrey Howe, the Chancellor, that the average level of wage settlements since last summer has been 16.5 per cent as a whole, 18.5 per cent in the private sector, and 14 per cent in the public sector.

Part of the difference can be explained by the usual 2 to 3 points for drift, including payments by results and regrading. In addition, public sector comparability awards, notably by the Clegg Commission, have so far added nearly 1 per cent to the 12-month rate and are likely to add 2 per cent by the summer.

Sir Geoffrey's estimate of an 18.5 per cent rise in private sector settlements so far in the current round also compares with yesterday's report from the Confederation of British Industry that its Databank indicates that half the settlements have been for 15 per cent or less.

Part of teh difference could be explained by the generally higher level of settlements outside manufacturing, notably in service sectors such as banking and insurance which are much less affected by the pressures of the strong pound.

The CBI survey is based on a sample of 449 settlements in manufacturing industry since last August, covering 96,500 employees. This forms part of the CBI's general information about settlements which on the basis of award so far covering 8.4m employees indicates increases of between 1.5 and 29.2 per cent.

The Government estimates are regarded as approximate in the absence of the detailed monitoring associated with incomes policy.

The CBI said yesterday that in nearly half the settlements recently reported to the Databank the level of company profits has been cited as exerting a "very important" downward pressure. This compares with references in about two-fifths of the settlements reported previously.

Editorial Comment Page 24

Arabs plan reinsurance group

BY MARY FRINGS IN BAHRAIN AND JAMES BUXTON IN LONDON

FOUR ARAB States are to set up a reinsurance company which will have an authorised capital of $3bn (£1.37bn). Kuwait, the United Arab Emirates, Qatar and Libya are to sign a nagreement setting up the company as a joint venture in Bahrain on Saturday.

The objective of the company will be to retain in 22 countries of the Arab world insurance business generated in the region, whic his thought to have a direct premium income amounting to roughly $3bn a year.

Over the past decade and a half, Arab States have sought to establish their own reinsurance companies and reinsurance pools to increase the amount of premiu mincome retained in the region. But though some of the reinsurance companies have been successful they and the reinsurance pools have generally found that too few insurers have been willin gto place their reinsurance. The pools in particular have remained small.

Arab resentment against Lloyd's of London wher emuch Ara breinsurance business is placed was aroused last summer when the London insurance market imposed war risk premiums on shipping in the Gulf. After consultations, the increase was deferred; but a number of Arab States decided as a result to form their own war risk reinsurance pool

Very few details are yet available about the new company, which will be registered in Bahrain and will be open to other Arab governments. Even if only part of the $3bn authorised capital were paid up, the new group would overcome the problem of under-capitalisation which has hampered existing Arab markets.

The New York Insurance Exchange, the U.S. answer to Lloyds which opened last month, has capital of over $150m, while Lloyd's capacity amounts to $4.5bn.

This is the second large-scale financial institution to be set up in Bahrain, following the incorporation in January or the $1bn Arab Banking Corporation.

John Moore writes: The emergence of the new Arab insurance market has come at a time when insurers, worldwide, are suffering a recession. Too many markets chasing business which has not grown at the same rate have left their mark on premium rates, which are under intense pressure from competition. The new ambitions of the Arabs are likely to reduce rates further.

In terms of size the planned market looks impressive. With an authorised capital of $3bn the Arab market would be able to take on a large part of the business generated in its own area at the expense of reinsurers.

CONTENTS

For latest Share Index 'phone 01-246 8026

Swedish inflation doubles

By William Dullforce in Stockholm

INFLATION IN Sweden during the first three months of this year was roughly twice as high as during the first quarter of last year, according to the latest reports from the Statistical Central Bureau and the Price and Cartel Board.

The Statistical Bureau measured a rise of 5.6 per cent on its consumer price index between mid-December and mid-March, giving an increase of 13.6 per cent during the 12 months to the middle of March.

The Price Board recorded a 4.4 per cent climb in consumer prices during the first quarter. The difference between the two ratings stems from oil price increases in the latter half of December.

The Government imposed a six-week freeze on March 26 and indicated it would extend the freeze until the end of the year, if the unions accepted a moderate wage settlement.

A Government-appointed commission is trying to mediate between the Swedish employers' association, which has suggested that a 4 per cent nominal wage rise is the maximum industry can afford, and the blue-collar trade union federation, which has claimed a 11.4 per cent average increase. Both sides have threatened industrial action.

David Satter in Moscow analyses the long-term effects U.S. trade sanctions will have on the Soviet Union

Why Russia's economic planners may have to think again

THE SOVIET UNION has so far succeeded in blunting the effects of the U.S. economic sanctions imposed after the Russian intervention in Afghanistan. But even if America's European allies fail to co-operate over sanctions, there are increasing signs that U.S. retaliation may still take a serious toll on the Soviet economy.

The difficulty of making assumptions for the five-year plan of 1981-85 is greater than at any time since the war. The uncertainty concerns not only whether U.S. technology will be available for Soviet industry, and the degree of participation in the boycott by the U.S. allies, but also the fate of the SALT-II treaty, the defeat of which could lead to an enormous rise in the Soviet military budget.

The Russians have succeeded in circumventing the U.S. grain embargo, and appear likely to make up all but 3m to 4m tonnes of the embargoed grain. The U.S. ban on high technology is almost certain to be more serious, leading to shortages of spares and to industrial problems.

U.S. industrial exports to the Soviet Union had a value of $749m in 1979 (compared with $2,856m for agricultural exports), but their importance was reflected less in their dollar value than in the role they played in critical industries.

The two most serious problems facing the Soviet economy in the 1980s are manpower shortages, which may lead to a decline in industrial production, and possible energy shortages, caused by inefficient methods of finding and exploiting oil and gas. The solution to both problems depends heavily on access to U.S. technology.

The inefficiencies of the centralised Soviet economy have traditionally been compensated for by overmanning, so that, in the early 1960s, increases in the number of workers accounted for almost half the rise in production. In 1981-90, however, the workforce will increase by only 4 per cent, and will not increase at all in Russia and the Baltic states, where Soviet industry is concentrated.

With alcoholism and labour delinquency increasing among Soviet workers, planners based much of their hope for higher production on computers, particularly in the large manufacturing complexes which the Soviets favour for producing high-priority industrial goods. Almost all the advanced computer technology in the world, however, is owned or controlled by the U.S.

The present embargo, to take the computer example, applies for the time being not just to U.S. computers but to U.S. components, used in virtually every Western computer, and to the U.S.-manufactured "mini-computers" which direct European machine tools. The embargo also covers spares, including spares for the computerised assembly lines at the giant Kama River lorry factory. The Soviets must do without new computers and face the gradual rundown of their existing computers for as long as the embargo remains.

Energy shortages and a lack of manpower are expected to be the major problems for Soviet planners in the 1980s. Before Soviet troops went into Afghanistan, they had hoped to solve these problems by importing Western computer technology, most of which is owned or controlled by the U.S., and oil and gas technology, both for prolonging the life of existing oil fields and for making new discoveries. The development of Siberian resources is also going to be hindered.

The Communist Party newspaper Pravda said in February that Western sanctions could not affect the Soviet Union's general economic progress because all imports from capitalist countries amount to only 1.5 per cent of the Soviet national product, a view echoed by some Western businessmen. Such arguments, however, neglect the selectivity of Soviet hard currency purchases.

If the U.S. finally rules that deliveries on signed contracts should stop the break in trade would jeopardise major vehicle production, civil aviation, chemicals and energy projects, for which imported U.S. technology was necessary.

In the chemicals industry, for example, there is an enormous backlog of unfinished chemical plants, which are to form the backbone of Soviet fertiliser production. The computer control systems for these plants have not yet been installed and may be stopped by the U.S. embargo, jeopardising a Soviet investment worth billions of dollars.

The other important effect of the U.S. sanctions may be equally serious. Soviet energy demand is increasing steadily but, for the first time, Soviet oil specialists have acknowledged that oil production may begin to fall in the 1980s because of inefficient exploitation and the failure to find new deposits. As with computers, the Russians have made careful purchases of U.S. oil and gas technology, the loss of which will hurt oil production.

U.S. businessmen are being informed individually of the fate of their projects, but it is assumed that deliveries on the $144m Dresser Industries contract for equipment to produce high-quality drill bits will be halted. This must hamper Soviet oil exploration, which relies on high-speed turbo-drills with extra strong bits.

Oil exploration has already fallen 30 per cent short of the plan target for test drillings in 1979.

The loss of access to U.S. oil and gas equipment will narrow Soviet possibilities. The U.S., besides being the world leader in drill bit technology, produces the best submersible pumps. These are particularly valuable in the Soviet oil fields, which are believed to be 80 per cent flooded. Along with Britain, the U.S. has the most experience in offshore oil and gas technology, which will be the most important energy development area for the Soviets in the 1980s, and the U.S. has the most experience in chemical and carbon dioxide secondary and tertiary recovery methods, necessary to resuscitate the older fields in the Volga-Urals region.

Western technology normally either fulfils a critical function in a Soviet installation or is intended to spare the Soviet economy the research and development costs of establishing a new industry. It is cheaper to buy sophisticated technology from the West than, for example to divert it from the Soviet Union's own military sector, where comparable results are obtained because the Soviet armed forces spare no expense.

In July, 1978, President Jimmy Carter cancelled the sale of a $6.8m Sperry Univac computer, ordered by the Soviet news agency Tass, because leading Soviet dissidents were being tried. The sale eventually went to the French state-owned company Honeywell-Bull, and the episode was taken as another indication of the self-defeating nature of economic sanctions.

The planners as work on the 1981-85 five-year plan, however, can no longer be confident about replacing critical U.S. technology from other sources. They must be pondering whether to eliminate plans for computerisation throughout the economy and whether they will have to reorganise their oil and gas production efforts. The problem is more serious than it was two years ago.

An example of the way in which U.S. sanctions may reinforce each other is the possibility that the three Soviet computer centres which process seismic data for oil and gas exploration will run down because of component shortages. There is now a backlog of seismic data, which have already been analysed, because of the slowness of exploration, but when new data are investigated the Soviets may not have the means to process the seismic reports.

The allies do not appear likely to co-operate with the U.S. over sanctions, but there is reason to believe that the U.S. sanctions alone will have an impact in key areas.

The Soviets traditionally cut back on spares, with orders being pruned by as much as 75 per cent. There have been reports of giant excavators and pipe handlers standing idle because of the embargo's effect on spares deliveries. This, in turn, slows the development of resources in Siberia, where this equipment is used.

The largest recent U.S. contract, which will probably fall victim to the U.S. retaliation, is a $353m contract signed by the Soviets with Armco and Nippon Steel last December for the construction of an electric steel plant near Novolipetsk.

The Russians will be able to obtain a great deal of Western technology from countries other than the U.S. The American experience suggests, however, that a concerted Western strategic boycott affecting such areas as telecommunications, chemicals, steel production and energy, far from being futile, would be an important political lever, and would have a marked and lasting effect.

National wage deal agreed in Norway

BY FAY GJESTER IN OSLO

AGREEMENT WAS reached yesterday by Norway's main employer and union organisations on a national wage package. It provides for a general pay rise of 5.2 per cent from April 1, with relatively large extra rises for the lowest paid. To sweeten the pill for employers a 3 per cent ceiling will be placed on wage drift over the next 12 months.

The wage deal, which sets the pattern for pay awards throughout the country over the next year, has still to be approved by a ballot of unions and employers, but the recommendations of national representatives are usually accepted.

The Government is making a substantial contribution to the settlement in the form of tax concessions and increased childrens' allowances which will cost the state NKr 1.4bn (£127m) this year. When the benefits are taken into account, spending power for average income families with children will just about be maintained at last year's level. The trade union federation had hoped to boost wage earners' spjending power to the level it reached in 1978, before a price and incomes freeze was imposed.

The extra awards to the lowest paid will be financed with the help of a special "low wage fund" to which both employers and workers will contribute.

Leaders of both sides yesterday expressed satisfaction with the compromise. Mr Tor Halvorsen, the union federation chairman, said it represented a breakthrough for union efforts to improve the situation of the lowest paid. Mr Pao Kraby, chairman of the employers' organisation, was pleased that the unions had agreed to try to limit wage drift. This is an important goal for employers at the time when labour is tight and industry is seeking to improve its competitiveness abroad.

Parliamentary approval for the state contribution to the package is certain, since the alternative would be a labour conflict affecting almost all sectors of business and industry. Some opposition politicians, however, have criticised the size of the proposed contribution as inflationary.

Androsch defies critics

BY PAUL LENDVAI IN VIENNA

THE AUSTRIAN Vice Chancellor and Finance Minister, Dr. Hannes Androsch, has said on television that he would rather resign than give up his highly profitable accountancy firm, Consultatio.

The Minister has come under fire from the opposition over alleged irregularities in connection with a £1bn Vienna hospital project in which one of his professional associates has been involved.

The issue of Dr. Androsch's large business interests almost caused a public break between Chancellor Bruno Kreisky and his deputy before the last election. Dr. Androsch then agreed to transfer his controlling interest in Consultatio to three trustees. However, the firm is still owned by himself and his wife.

Chancellor Kreisky on Tuesday made it clear that he would prefer Dr. Androsch to loosen his ties to the firm, but the Minister flatly refused to take further action.

The issue is a serious embarrassment to the ruling Socialist party in view of the moral issues involved and the growing rank-and-file resentment.

Herr Anton Benya, the powerful union chief, continues to support the Finance Minister. And Chancellor Kreisky was urged publicly yesterday to give all out support to his deputy or to discuss him.

Parliament, meanwhile, voted yesterday to set up a special commission to investigate the charges of irregularities.

FINANCIAL TIMES, published daily except Sundays and holidays. U.S. subscription rates $365.00 per annum. Second Class postage paid at New York, N.Y., and at additional mailing centres.

Bonn confident growth target can be reached

BY KEVIN DONE IN HANOVER

THE WEST GERMAN Government is still confident that the economy will expand by some 2.5 per cent this year, but it appears less optimistic about the prospects of meeting its inflation targets.

Count Otto Lambsdorff, the Economics Minister, said yesterday that the aim of keeping inflation to an average increase for the year of 4.5 per cent had always been "ambitious." Consumer prices rose by 5.8 per cent in March compared witht the same month a year earlier, and Count Lambsdorff admitted that "during the year we much get back to lower figures, to at least get near our projection."

The annual round of wage negotiations, which is producing average increases of around 6.8 per cent was "reasonable" against the wage rises agreed in other countries, he said, and should allow the hoped-for growth in the economy. At the same time it should prove possible to keep unemployment down to a level of only 3.5-4 per cent.

The latest economic indicators showed that no abrupt worsening of industrial activity was to be feared.

Speaking at the opening of the Hanover Fair, the world's largest exhibition of capital goods, the Minister emphasised, however, the great uncertainties which were facing world trade as a result of events in Afghanistan and Iran and through rising energy prices.

He stressed that no West German companies would take over orders from the USSR abandoned by U.S. companies. But he also made clear that Bonn feels that any embargo on areas of trade with Moscow should be agreed under the so-called COCOM list of militarily and strategically sensitive goods. Economic measures had to be very carefully considered within the NATO alliance and with Japan to assess their actual chances of success.

He did not support suggestions of imposing sectoral or volume limits on exports for large civil process plant projects.

"Whether the USSR's military potential is increased depends not on the volume of deliveries but on the sort of product."

Relations with East Germany—Herr Günter Mittag, a leading member of the East German politburo visited the fair yesterday—must still be developed, said Count Lambsdorff. The intended soon to visit Hungary and Romania as part of a move to build economic contacts with East Bloc countries.

West Germany stood at the side of the U.S. over Iran, he said. It was ready to take economic measures in support of U.S. attempts to free the hostages held in Tehran, even if there was no general agreement on such action among all EEC members.

There should also be no "bowing" before the threats to oil supplies made by Algeria and Libya.

Banks ready for Iran sanctions

BY OUR BONN STAFF

WEST GERMANY'S banks have stressed that they are ready to respect a decision by the Government to impose economic and financial sanctions against Iran.

Representatives of the Federation of German Banks (BDB) told a Press conference in Bonn yesterday that they expected such sanctions to be imposed under the 1961 law governing the country's foreign economic relations.

Under paragraph seven of this law, visible trade can be made subject to Government permission and paragraph 23 permits restrictions to be imposd in the banking and financial sector.

The bankers said their business with Iran had diminished over the last few months. They noted that Iranian assets with German credit institutes exceeded liabilities, but gave no figures.

The government is hoping to take a decision on sanctions jointly with its European Community partners at the Foreign Ministers' conference in Luxembourg early next week. Cabinet approval could follow next Wednesday.

All quiet on the Berlin front

BY LESLIE COLITT IN BERLIN

IN SPITE of the U.S. trade Union over its occupation of Afghanistan, Moscow's diplomats in Berlin continue to use the sprawling U.S. army shopping centre where everything from cameras to hi-fi is sold at tax-free prices in the PX run by the Pentagon.

The Russians also still frequent the NAAFI operated by the British Ministry of Defence for the needs of Britain's armed forces in Berlin. The Soviet diplomats are equally familiar in the French Army's Economat supermarket which offers Berlin's best value in excise-free wine.

Thus it is business as usual in Berlin despite Afghanistan, speeches in Washington and television reports o fthe world edging towards the precipice.

In Berlin things have not functioned so smoothly tince the four-power agreement was signed in 1972. The three Western Allies and the Soviet Union appear determined not to let Berlin fall back into the bubbling East-West cauldron.

At the air safety centre in West Berlin, Soviet air force officers help ensure West Berlin's air links with West Germany by controlling the flights of every Western allied airliner arriving in and departing from West Berlin with their U.S., British and French counterparts.

The political advisers of the British, U.S. and French military governments in West Berlin recently met the counsellor of the Soviet Embassy in East Berlin, Mr. Bronislav Pavlovich Hotulev, in an atmosphere of four-power friendliness.

At Spandau allied prison the four powers continue to guard one lone prisoner who will be 86 on April 26. Herr Rudolf Hess has certainly noticed no change in the four-power routine. Each morning he receives censored copies of four West German newspapers, one from each of the former Western allied zones of occupation and West Berlin, as well as East Germany's Comunist Party newspaper, Neus Deutschland. All articles mentioning his name or having anything to do with the Nazi era are cut out.

Sir Oliver Wright, Britain's ambassador in Bonn, who also heads the British military government in West Berlin, held a routine lunch in his residence last month with the Soviet ambassador to East Germany, Mr. Piotr Andreyevich Abrassimov. Afghanistan did crop up in the talks which were described as "frank and businesslike" but this was only a hiccough in the calm that surrounds Berlin.

At the West Berlin city government, talks took place only last week between a city official and an East German representative on the functioning of the visitor agreement under which 3.1m visits to East Berlin and East Germany were made by West Berliners last year.

As one Western official noted, everyone — the Allies, the Russians, the city government of West Berlin and the East German Government — are determined not to let the Cold War return to Berlin. "The alternative to things remaining quiet in Berlin," he said, "is for all hell to break loose again."

Interest rates row erupts in Ireland

By Stewart Dalby in Dublin

A ROW has broken out between the Irish Government and the central bank.

The Government, having failed to prevent a rise in interest rates by the four main associated (retail) banks which was granted by the central bank, is now fighting to stop a resultant increase in mortgage rates.

The standard interest rate is now 18.5 per cent, while the average mortgage arte is 14.5 per cent.

The building societies met on Tuesday but agreed to defer a decision on an increase until next week. Mr. Micheal O'Kennedy, the Minister of Finance, meanwhile, has hinted he will find ways of subsidising mortgage rates.

How he can manage this without increasing the Government's indebtedness is hard to see. The Government already has a public sector borrowing requirement of 10.4 per cent this year and Mr. O'Kennedy has pledged that it will not be pushed any higher.

While ostensibly the row is between the Government and the building Societies, at bottom it boils down to a quarrel between Mr. Charles Haughey, the Prime Minister, and the Central Bank.

Since Ireland broke free sterling a year ago and joined the European monetary system it has been able to pursue an independent monetary policy. The Central Bank has discovered that as far as credit control is concerned it has powers more akin to the Bundesbank than the Bank of England and in trying to exercise these powers appears to have angered Mr. Haughey.

Divisions grow on Italian left-wing

BY PAUL BETTS IN ROME

RELATIONS between Italy's two main Left-wing parties, the Communists and the Socialists, have reached a new low in the past 48 hours.

The latest controversy follows particularly harsh Communist criticism of the new coalition Government of Christian Democrats, Socialists, and Republicans during the debate on a confidence motion in Parliament.

Although the new Government is expected to secure the confidence of Parliament later this week, it has come under severe attack from the Communists who have warned they will intensify their opposition.

They have critised severely the appointment of Sig. Rino Formica, a Socialist Senator, as Transport Minister. This nomination, in fact, has become one of the main issues of the confidence debate since he was one of the protagonists in the recent scandal which led to the suspension of direct oil supplies by Saudi Arabia to ENI, Italy's national hydrocarbons agency.

Sig. Formica claimed an irregular commission had been paid in the 12.5m tonnes direct oil supply deal between ENI and Petromin, the Saudi Arabian state oil company. Subsequent official inquiries, however, failed to substantiate the charges.

The Senator has himself now been accused of irregular practices when treasurer of the Socialist party. sh Socialist party by the distinguished veteran Senator Cesare Merzagora, a non-party figure who was once caretaker President and a former chairman of Italy's leading insurance company.

Although Sig. Formica and his party have flatly denied the accusations, the Communists have given the affair considerable public exposure. This has prompted Sig. Bettino Craxi, the Socialist leader, to send an angry letter rebuking his Communist counterpart, Sig. Enrico Berlinguer, for his party's stand.

The row, howerevr, reflects deeper tensions betweens the parties. The Socialists appear irritated by Sig. Berlinguer's current visit to China which has taken much of the steam out of Sig Craxi's initiative towards China last year.

At that time, relations between China and the Italian Communists were still cool and the Socialists sought to establish themselves as Italy's main go-between with China.

For their part, the Communists have clearly viewed with years of a centre-left Government in Italy. They are also preoccupied by recent Socialist advances to the small left-wing Radical party, which has lately been one of the Communists' fiercest opponents.

Sig. Craxi: angry words for Communists

Revelations shake France's ruling alliance

BY ROBERT MAUTHNER IN PARIS

THE ALREADY fragile alliance of the two French coalition parties, the pro-Giscard UDF and the Gaullist RPR, was further shaken yesterday when a senior Minister alleged that M. Jacques Chirac, the Gaullist leader, would stop at nothing to prevent President Giscard d'Estaing from being re-elected in 1981.

The French satirical weekly, Le Canard Enchaîné, published what it claimed to be a long confidential note sent three months ago by M. Alain Peyrefitte, the Justcie Minister, to President Giscard, analysing Mr. Chirac's tactics, and profering advice on how to isolate him from his party.

To add spice tothe affair, M. Peyrefitte is himself a Gaullist who has often criticised M. Chirac inthe past and who, together with other Gaullist Ministers, was debarred from serving on his party's ruling bodies.

In the note, the authenticity of which has so far not been denied officially, M. Peyrefitte alleges that M. Chirac would be prepared to make a deal with the opposition Socialists in order to scuttle President Giscard's chances of being re-elected. "M. Chirac is an ambitious man who attaches more importance to his political calculations and rancorous feelings than the general interest," the Justice Minister is quoted as saying.

In order to achieve his ends, the note says, the Gaullist leader would even be willing to reach an agreement with the Socialist party, under which the Socialist and Gaullist candidates would stand down in each other's favour in the second round of the presidential election, depending on which one of them stood the better chance of being elected.

Another possible policy option which M. Chirac is alleged to be considering is that the Gaullists should vote for a Socialist censure motion in the National Assembly, thus bringing down the Government and obliging President Giscard to call a general election.

In such an event, the Socialist and Communist parties were quite capable of winning an absolute majority, according to the note, giving M. Francois Mitterrand, the Socialist leader, the opportunity of establishing himself as Prime Minister before running for the presidency

M. Peyrefitte, according to the note, then goes on to make suggestions on the best way to neutralise M. Chirac and isolate him from his party. He advises President Giscard against head-on clashes with the Gaullists which would only serve to cement their unity. Instead, they should be "seduced" through the adoption by the Government of a number of favourite Gaullist projects

The Gaullists, meanwhile, have called for the re-opening of the judicial inquiry into the 1976 murder of Prince Jean de Broglie. Mr. Michael Poniatowski, the former Interior Minister and close friend of the President, has denied allegations that he had advance notice of the murder plot from the police. He hit back yesterday by announcing that he would sue the Socialist and Communist parties for defamation and libel over their demands for his impeachment.

OVERSEAS NEWS

Gaddafy fears growing opposition

BY OUR FOREIGN STAFF

THE ASSASSINATION last Friday in London of Mr. Mohamed Ramadan, a Libyan journalist, highlights the domestic problems facing Col. Moammar Gaddafy, the Libyan leader. The death of Mr. Ramadan, an outspoken critic of the Libyan regime, coincides with a Libyan campaign against real or supposed opponents of Col. Gaddafy. As many as 2,000 people have been rounded up in recent months, including senior bureaucrats and bankers, as well as army officers. Last week a number of students were arrested. Trials have started, and the accused appear nightly on television, although no names have been officially published and sentences are not known, although treason carries the death penalty in Libya. In the prevailing climate of tension, some defendants, at least, are likely to be executed.

Many of them have been charged with corruption—notably with accepting "kick-backs" for obtaining contracts, and with illegally taking money out of the country—but the real motive seems to be Col. Gaddafy's fear of growing opposition to his rule. This extends even to opponents abroad, whom Col. Gaddafy vowed to "eliminate physically" at a meeting of Revolutionary Committees in Tobruk at the beginning of February. The late Mr. Ramadan had received threatening letters from the self-styled "Popular Committee for the Elimination of Enemies of the Revolution."

Bribe-taking for foreign contracts is indisputably widespread, and certainly extends to the armed forces. But army officers have been picked up more because their loyalty to Col. Gaddafy is suspect than for economic misdemeanours. Col. Gaddafy even arrested his brother-in-law of his second-in-command Maj. Abdul-Salam Jalloud. Last year, there were reports that Col. Gaddafy and Maj. Jalloud had fallen out (Maj. Jalloud took out exit visas to nine different countries, including Britain. The basically political complexion of the arrests seems to be confirmed by the arrests of the students, always suspected by the regime as a breeding ground for opposition.

The roots of discontent with Col. Gaddafy's regime are diverse. The middle classes are bitter about the nationalisation of businesses — for which they have not been compensated. There is also anger about Col. Gaddafy's fruitless intervention in Uganda last year, in support of Idi Amin, and the heavy casualties which resulted. And all Libyans are unhappy about spreading shortages of essential commodities, including food.

Meat, for instance, can be obtained only once or at most twice a week. Foreign currency is also hard to come by and, rightly or wrongly, this is

Col. Gaddafy: crackdown on corruption

blamed on heavy payments to the Soviet Union for arms and lavish grants to foreign revolutionary organisations. Even companies allowed to repatriate funds are apparently being prevented from doing so, to conserve currency.

This is surprising, in view of Libya's oil wealth, but oil revenue is being squandered by administrative and technical inefficiency, a problem exacerbated by purges in the bureaucracy. Even this who are still left to run Libya's affairs are too afraid to sign contracts or even have dealings with foreigners, for fear they will attract suspicion.

Two weeks ago, the biggest insurrection yet took place in Tobruk, whose inhabitants have always been unhappy about central authority. They took strong exception to the arrival of Revolutionary Committees (directly appointed by the Government to prevent "deviations") and several people were shot dead.

The growing economic confusion and political repression is alarming Libya's large expatriate community — and Pakistanis have already been ordered to leave. Other foreigners who have lived in Libya for many years are also considering leaving, but some are finding it difficult to do so. Britain's own position is particularly delicate because Libyans have been charged in London since Mr. Ramaden's murder. Scotland Yard is also interested in a relative of Col. Gaddafy.

Diplomats fear that Col. Gaddafy could be sufficiently take reprisals against the British Embassy or against the many British firms and expatriates working in Libya, one of Britain's largest markets in the Middle East. Both the American and subsequently the French Embassy and Consulate in Libya have been sacked, in for policies the Libyans objected to. These precedents have made the British feel particularly isolated and vulnerable.

BP's Tehran talks 'inconclusive'

BY OUR FOREIGN STAFF

BRITISH PETROLEUM'S talks with the National Iranian Oil Company in Tehran over the latest Iranian oil price increase were "unsatisfactory," according to officials in Tehran. In London a BP spokesman confirmed that the talks were inconclusive and that there was little expectation of any progress over the next month.

The BP team will be followed in the next few days by visits to Tehran by Royal Dutch/Shell and Japanese trading companies. The feeling among companies lifting oil from Iran is that the new price, effective

Between them the companies take the bulk of Iran's contracted oil exports, officially said to be about 1.7m barrels a day. BP lifts 125,000 b/d, Shell 100,000 b/d and 13 Japanese companies take about 510,000 b/d. They are said to be annoyed by the Iranian price increase to $33.50 which, with a minimum surcharge, gives an effective price of $35—well above the prevailing price of Gulf crude and comparable to or greater than the spot market price.

All the companies are believed to be under pressure from their Governments not to pay high prices for oil. Resistance is difficult, however. The nine-month contracts which all have signed do not appear to allow for any decrease or cancellation by the customer. A profit-sharing deal on some of the volumes is also said to be unsatisfactory.

BP and Shell are said to be anxious for crude to fulfil their requirements and both are said to be anxious not to break trading relations with Iran. Columes have been savegely cut since the revolution but the country still supplies a significant part of their requirments.

Diplomats emphasise that negotiations might be overteken by diplomatic events if European and perhaps Japanese sanctions are imposed next week. Mr. Ali Akhbar Moinfar, the Iranian Oil Minister, has threatened to cut off oil supplies to any country which joins the United States in sanctions against Iran.

There are no reports among non-Iranian officials about any failure by the National Iranian Oil Company to meet contract volumes despite fluctuations in production. But the officials say they are not aware of any contracts being stoned for new second quarter sales.

The rest of Iran's oil customers—about 30 companies—take comparatively small volumes. But Petrobras, the Brazilian oil company, is also said to be unhappy with the price increases on its purchases of 60,000 b/d.

Latest official but unpublished figures show, after an unexplained drop last month, that Iran is still capable of meeting oil requirements. Officially these are stated as 2m b/d for export and 1m b/d for domestic requirements, but foreign analysts say they are more likely to be 1.5m b/d for exports and 800,000 b/d for domestic use.

The few British businessmen remaining in Tehran say they are being encouraged to leave before the EEC Foreign Ministers' meeting, in Luxembourg next week, which is expected to decide on sanctions against Iran. Official British advice to businessmen remains: "Do not come to Iran unless your business is absoluteiy necessary."

Peking names two new Vice Premiers

By Tony Walker in Peking

ZHAO ZIYANG, a new member of the standing committee of the Chinese Communist Party, and Wan Li, a member of the newly formed party secretariat, have been made Vice-Premiers.

The appointment of Mr. Zhao, 61, had been expected. He is regarded as a most important figure in the new generation of Chinese leaders.

Mr. Wan, 64, is a close associate of senior Vice-Premier Deng Xiaoping and is a former party boss in Anhui province.

The appointments were announced at a meeting of the standing committee of the standing committee of the National People's Congress which ended yesterday.

The standing committee relieved two Maoists, who were sacked from the Politburo recently, of their positions as Vice-Premiers. Ji Dengkui and Chen Xilian now have no standing in either party or Government.

Mugabe promises speedy action on resettlement

BY BRIDGET BLOOM IN SALISBURY

INTEGRATION of the three armies which fought in the seven-year Rhodesian guerrilla war will be the top priority of the new Zimbabwe Government which assumes full power at midnight tonight. Mr. Robert Mugabe, the Prime Minister, explained this at a Press conference in Salisbury yesterday.

He confirmed the appointment of Lieut-General Peter Mills, the former Rhodesian Army chief, as head of a new joint armed forces command, and said that the aim was to create a single regular Zimbabwean army as soon as possible.

Mr. Mugabe yesterday morning greeted Prince Charles who will preside over tonight's ceremony when the Union Jack will be lowered for the last time and full legal independence will be granted to Zimbabwe.

Prince Charles, wearing a white naval uniform, was greeted by a 21-gun salute and a fly-past of four Hawker Hunter jets—the same aircraft that four months ago were strafing Mr. Mugabe's forces in Mozambique.

Dozens of VIPs, including the Foreign Secretary, Lord Carrington, also arrived yesterday for the celebrations.

Mr. Mugabe said that other critical areas where speedy action would be needed immediately after independence were the resettlement of at least 200,000 rfugees, who were still outside the country, and of Zimbabweans who had been forced into protected villages or into shanty towns in the urban areas as a result of the war. It is estimated that nearly 1m people are war refugees.

Also vital, Mr. Mugabe said, was the reconstruction and rehabilitation of schools, hospitals and clinics which had been devastated or disrupted in the rural areas. The Government, he said, would move very quickly on land resettlement and on improving the conditions of service for workers in all sectors of the economy. He hoped that "real results would be seen in the next few months."

Indian bank take-over 'political'

By K. K. Sharma in New Delhi

THE NATIONALISATION of six Indian-owned commercial banks, announced by Mrs. Indira Gandhi on Tuesday night, is seen as a political move and provides the first insight into her style of Government since she took over as Prime Minister. It does not provide any indication of the Government's general economic policies since these have still to be formulated.

It is the absence of an economic policy framework that suggests that the nationalisation is politically motivated. The move deflects attention to a radical and Socialist measure when the Government has clearly not tackled India's growing economic problems—mainly a 21 per cent inflation rate and stagnation in production. The law and order situation is also deteriorating.

The nationalisation announcement also comes shortly before elections to nine state legislatures. These were dissolved by Mrs. Gandhi several weeks ago on the ground that the results of the January general election showed that the Janata-led Governments in the nine states had lost their mandates. New legislatures are to be elected next month.

The take-over will bring almost the whole of the Indian-owned banking sector into Government hands. There is not thought to be any threat to foreign banks.

A similar move to give herself a Socialist image was made by Mrs. Gandhi in July, 1969, when she also faced economic problems and was uncertain how to tackle them. She then nationalised 14 commercial banks, claiming that this would provide resources for rural development.

It has since been shown that the nationalisation had only a marginal impact on rural development. The banks opened many branches in villages, but they continued to operate within normal banking practices. A recent analysis shows that deposits mobilised in rural areas were used for loans to urban areas.

Mrs. Gandhi has maintained consistently that bank nationalisation is essential for economic progress.

AMERICAN NEWS

Brazilian wage reform proposed

By Diana Smith in Brasilia

BRAZIL'S Economic Development Council, chaired by Jose Figueirialo met yesterday to study proposals to alter the way in which wages are linked to changes in the consumer price index.

The proposals by the Planning Minister, Sr. Antonio Delfim Netto, come in the wake of 18 per cent inflation in the first quarter, which threatens annual rates far beyond Sr. Delfim Netto's target of 50 pe rcent.

The business community is openly expressing qualms about the ability of Sr. Delfim Netto and his team to hold back what appears to be an inflationary rip-tide.

Arguing that automatic, inflation-indexed six-monthly wage adjustments are running several percentage points ahead of real inflation, Sr. Delfim Netto is recommending adjustment of the consumer price index, the basis for half-yearly increases.

He is also asking the Council to approve removal of the impact of oil-influenced price adjustments from this index, thus lowering its weight and making it possible monthly adjustments to wage earners.

At the same time, Sr. Delfim Netto is asking for a regional breakdown of the index—up to now it has been assessed nationally. This would permit variable wage adjustments in areas affected less or more harshly by inflation.

Meanwhile, to repress demand for up-market consumer goods, ease strains on money supply and boost state coffers, Sr. Delfim Netto wants the council to approve apparently modest withholding tax on personal income that, so far, has been liable either to risible rates of 0.3 per cent or no tax at all.

This income—from share dealings and transfers, rent, profits on sales of property and dividends—is known to have totalled Cr 520bn (£5.2bn) in 1979-80 tax year declarations of non-taxable income. It is only marginally less than the 1979-80 taxable income budget.

At this stage, with inflation-related tension perceptable throughout Brazilian society, the administration risks unpopularity whether it tries to cool wage increases and consumer goods demand or not.

Sr. Delfim Netto's optimism—not long ago seen as a necessary psychological boost to industry and farm production—is now causing growing puzzlement.

The first calls for his resignation have come from farmers in the south who complain of credit squeezes and what they consider unfair prices.

Falklands talks planned

By Robert Lindley in Buenos Aires

NEGOTIATIONS between Britain and Argentina over the Falkland Islands crown colony, which Argentina claims as the "Malvinas" islands, will be renewed in New York on April 28. They will be the first talks since the renewal of diplomatic relations between the two countries at ambassadorial level last month.

In February, 1976, Argentina requested the withdrawal of the British Ambassador because of Argentina's displeasure over the British Government's sending of a fact-finding mission, led by Lord Shackleton, to the Falklands. Heading the New York negotiations for the British will be Mr. Nicholas Ridley, Minister of State at the Foreign and Commonwealth Office, and for the Argentines, Air Commodore Carlos Cavandoli, Under-Secretary of Foreign Relations.

Carter ready to detail more U.S. pressure on Tehran

BY DAVID BUCHAN IN WASHINGTON

PRESIDENT CARTER is to give a Pres conference later today, when he is likely to elaborate on how the U.S. intends to increase its leverage on Iran over the hostage crisis.

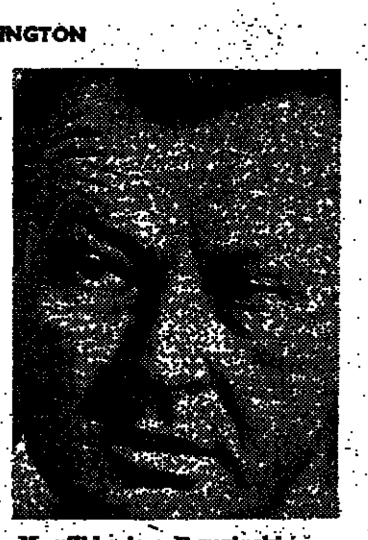
Hints of immediate new U.S. measures this week, following the break in diplomatic relations, have been somewhat discounted. Both State Department and White House officials have indicated that allowing Iran plenty of time to react to the steps already taken is felt necessary to win the backing and active co-operation of U.S. allies.

The Administration has explicitly appealed to its European allies to join it in economic sanctions against Iran to head off the need for the U.S. to take military action on its own—such as a naval blockade of Iranian trade. At the same time, however, Mr. Jody Powell, the White House Press Secretary, yesterday denied a Boston Globe report that the U.S. had old its allies it would blockade Iran if by the week of May 10 no progress on the hostages was made.

"No decision to impose a blockade has been made or communicated," Mr. Powell said. Nevertheless, such a step is the next obvious option.

Domestic pressures for more forceful action are inevitably fuelled by the comment yesterday from Tehran by the Ayatollah Mohammed Beheshti, a hardliner on the ruling Revolutionary Council, that the Iranian Parliament might not debate the hostages' fate until "June or July."

Meanwhile, the State Department is continuing to draw public notice to the apparent Soviet troop build-up in the southern Caucasus bordering Iran. "There is no apparent need for its based on any kind of defensive problem since Iran poses no threat to the Societ Union," Mr. Hodding Carter, the department spokesman said this week.



Mr. Zbigniew Brzezinski . . . accused by Pravda

The build-up is neither very sudden nor massive, but the U.S. is eager to draw maximum Iranian attention to it to show Tehran that it is the Soviet Union which directly threatens it, not the U.S. However, some U.S. analysts are not unaware of the possibility that the Russian troops are on the Iranian border as a warning to the U.S. not to use force to settle the hostage crisis.

David Satter adds from Moscow: The Communist Party newspaper, Pravda, yesterday accused Mr. Zbigniew Brzezinski, the U.S. National Security Adviser, of "political charlatanism" for saying that the Soviet Union was massing troops in the Caucasus.

On Tuesday, Mr. Brzezinski likened the alleged build-up to the gradual concentration of Soviet Forces north of Afghanistan and U.S.

Pravda said that although Mr. Brzezinski had referred to "trustworthy information" about the build-up in his statement, neither U.S. satellites nor monitoring stations located near the Soviet border had detected "a concentration of Soviet troops."

Mr. Brzezinski had simply fabricated this "frightening information." As he was inclined to do, Pravda said, although it did not deny that the Soviet Union had built up its forces in the Causasus.

Western diplomats in Moscow said it was unlikely that the Soviets were planning any military action against Iran but believe the alleged build-up and an earlier build-up of Soviet troops near the Afghan-Iran border would be a means of reminding Iran of its vulnerability to Soviet military pressure.

Although the Soviet Union has supported Iran in its conflict with the U.S., the two countries have differed over the Soviet invasion of Afghanistan. The Soviet press has accused Iranian leaders of making unfounded attacks on Moscow while Iran has promised to suport the Afghan rebels if no regional solution is found to the problems created by the Soviet invasion.

Senate backs trucking reforms

BY IAN HARGREAVES

A MOVE to increase competition in the U.S. road haulage industry and to liberalise the tight regulatory framework of the industry has won overwhelming support in the U.S. Senate.

In a 70-20 vote, the Senate backed a Bill after some stormy sessions in committee and which has been opposed vigorously by the American road haulage industry and the International Brotherhood of Teamsters, one of the most powerful labour unions in the country.

The liberalisation programme, first moved some years ago by Senator Edward Kennedy, had the firm support of the Administration, liberal Democrats, and Right-wing free market Republicans when it reached the floor of the House.

The proposals must now go to the floor of the House of Representatives, where the industry and labour lobbies were considered to have much more influence.

The Bill passed by the Senate has four main provisions:

- It will make it easier for new firms to come into the industry by removing the obligation for newcomers to demonstrate public need for their services.
- It will limit the right of hauliers to set rate collectively to situations where more than one haulage firm is involved in a shipment.
- Hauliers will be free to alter rates within a fixed band without application to the Interstate Commerce Commission.
- A large number of petty restrictions on hauliers' freedom to carry certain kinds of cargo will be lifted.

The Congressional Budget Office says the legislation, if passed by the House, could save shippers $5bn to $8bn a year by 1985.

Mr. Alfred Kahn, chairman of the Council on Wage and Price Stability, hailed the proposed changes as anti-inflationary and helpful in the bid to save energy.

The Teamsters, however, fear the changes would result in a heavy loss of jobs. The American trucking associations believe that many parts of the country will suffer serious loss of service as a result as pressures on the industry profit margins are increased.

The associations produced figures yesterday showing that their members' progts dropped by 26.98 per cent last year to an aggregate of $541m in spite of a 14 per cent increase in sales. The associations blame the liberalising efforts of the Interstate commerce commission in the last year for this development.

Mexico oil plan confirms production of 2.5m b/d

BY WILLIAM CHISLETT IN MEXICO CITY

OIL-RICH Mexico will definitely pursue a conservative hydrocarbon policy, according to its long-awaited 1980-82 plan. Expansion of the oil sector will be slowed, in favour of promoting the depressed agricultural sector, alleviating bottlenecks in the transport system, and generally paying more attention to Mexico's urgent social problems.

The plan, prepared by the Planning and Budgeting Ministry, confirms that oil production will be held at 2.5m barrels a day (b/d), with a 10 per cent "flexibility" margin to satisfy rising domestic demand.

Oil exports in 1981 and 1982, based on Mexico's desire to reduce the current account deficit from 3.5 per cent of gross domestic product to 1 per cent in 1982, wil average 1.1m b/d.

Mexico is now producing just over 2m b/d, and exports about 800,000 b/d. There has been speculation that Pemex, the state oil monopoly, would raise production once it had reached its 2.5m b/d target, which envisages exports of about 1.1m b/d.

Estimates of Mexico's oil production have gone as high as 4m b/d by the end of 1982.

Mexico is expected to have a greatly reduced current account deficit this year, after the 1979 high of $4.2bn. Oil exports will earn an estimated $9bn this year, compared with less than $4bn last year.

The plan repeatedly emphasises the need to avoid flooding the economy with petrodollars

From now until President Jose Lopez Portillo ends his term of office, public sector investment will be reorientated towards less favoured sectors of the economy.

Refugees start flying out of Havana

SAN JOSE—The first group of 150 Cuban refugees arrived in San Jose, the Costa Rica capital, yesterday, at the start of an airlift of almost 11,000 people who swarmed into the grounds of the Peruvian embassy in Havana.

"This is an importat psychological symbol, to get this air bridge started," said Sr. Carlos Aguilar of the Costa Rica Foreign Ministry.

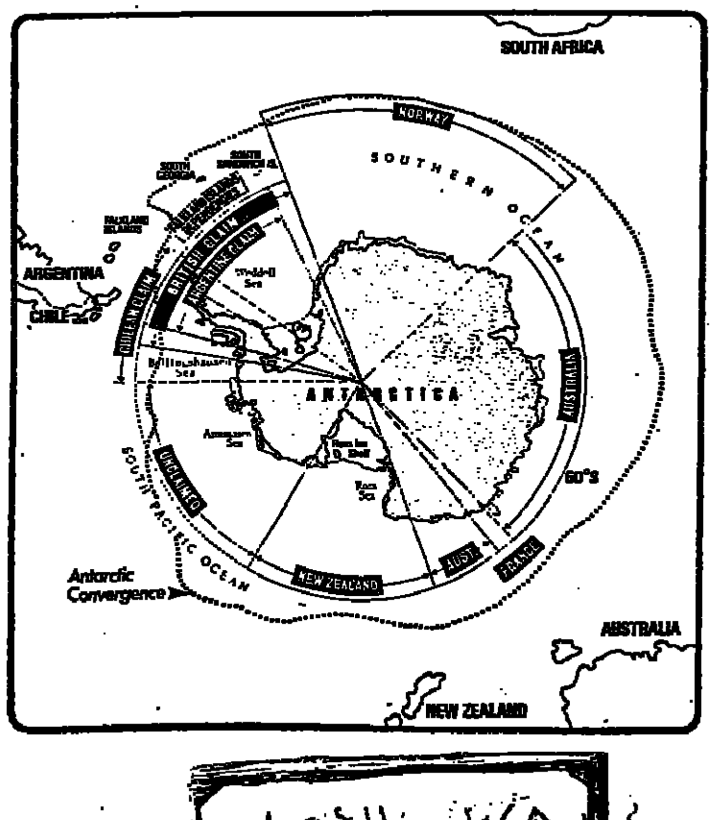
Costa Rica authorities refused to give further travel details, it was not clear if the 150, who arrived aboard one of two Csta Rica airliners being used for the airlift, were part of the 300 refugees Costa Rica is taking, or will continue to Peru, which has agreed to give asylum to 1,000 refugees.

The Cuban Government had been haggling with the Governments of Costa Rica and Peru over the order in which the people would be allowed to leave.

Moreth an half the would-be refugees have places to go to. The U.S. will take up to 3,500, 500 can go to Spain, 200 to Ecuador, 300 to Costa Rica, 300 to Canada and an undetermined number to Argentina, Brazil, Belgium, West Germany and Sweden.

Antarctic powers warned of the dangers of krill

BY DAVID TONGE



THIRTEEN MAJOR powers are to meet in Canberra in three weeks to finalise a convention on managing the Southern Ocean, around Antarctica. The ocean contains a sixth of the world's seas, and contains one of the great untapped marine resources, the shrimp-like krill.

But a report* published yesterday warns that the high cost of krill fishing makes krill unlikely to become a major source of food for an increasingly hungry world; that even relatively low krill catches could have disastrous consequences for fish and whales in the ocean; that the present draft convention is deficient; and that, unless care is taken, the unique legal framework which has allowed a small group of countries to run a continent could be challenged by those so far excluded.

Japan, Poland, West Germany and the Soviet Union have already begun to fish for krill on a limited scale. The report warns that there are severe constraints on building a massive industry: krill is unlikely to become a major competitor to conventional shrimp; its colour, strong flavour, uncertain supplies and high cost mean it will have trouble in competing as a mince; and its commercial success will depend on the success of krill meal as an animal feed.

But the speed with which krill rots, the short fishing season in the Southern Ocean, the remoteness of the area, and the special processing equipment which would have to be installed on krill ships makes the extensive exploitation of krill unlikely, given present technology, the report concludes. But, at a press conference, the authors warned that their analysis depends on normal economic criteria being applied for such matters as capital write-off.

The Socialist countries could decide to catch krill for political or other reasons. Equally shipowners with vessels displaced from other grounds might decide it was more economic to use them in the Southern Ocean than lay them up. They thus foresaw krill being caught, although not on the massive scale once predicted.

However, they stressed that, as krill was a food for other fish and whales — a prey rather than a predator — even small catches could haveserious consequences for other species. They pointed to the way that the overfishing of capelin (a food for cod) in the north-west Atlantic had severely threatened the survival of the local cod fisheries. The usual criterion of establishing a "maximum sustainable yield" of krill could not be applied when the krill was a prey rather than a predator, they insisted. And they pointed to the damage done to the population of the larger whales, which will take generations to repair, to stress the dangers of overfishing.

The report finds that the draft convention's emphasis on conserving the "ecosystem" as a whole is an important step forward in fishery management: previous fishery arrangements have usually concentrated on individual species. It argues that Article 2 of this convention, which calls for fish and other marine populations to be kept at levels which ensure their maximum growth, is scientifically untenable. It fears that insisting on decisions being taken by consensus will stop decisions being made. Among other points, it also questions linking the convention to the Antarctic Treaty, both because of the treaty's exclusive nature and because of the legal ambiguities it contains to reconcile the interests of states which claim (often overlapping) parts of Antarctica and those of states which recognise no such claims.

The report's authors insist that, if the regime for managing the Southern Ocean is to survive, it must be acceptable to the international community at large. What would happen, they ask, if a non-ignator sets out to fish the ocean—let alone explore for oil off Antartica itself—and refuses to recognise the convention.

So far, the Antarctic Treaty power — Argentina, Australia, Belgium, Chile, France, Japan, New Zealand, Norway, Poland, South Africa, the Soviet Union, the United Kingdom and the United States—have resisted all attempts by outside powers to involve the whole internationa community. They have also frozen the UN Food and Agricul ture Organisation out of preparation of the convention—although they have invited its firshery wing to Cangerra as an observer. But the authors warn that if the UN Law of the Sea Conference does conclude, as hoped, in the next year, many of those involved are liable to turn their attention to a continent which many countries consider, like the seabed, "a common heritageof mankind."

* *The Management of the Southern Ocean, by Barbara Mitchell and Richard Sandbrook of the International Institute for Environment and Development, with additional material by John Beddington and Seamus McElroy.*

هكذا من الأصل

هكذا من الأصل

Industrial Leasing:

Why we believe we can do more for you than any other leasing company.

1. **Experience.** We have been handling the total range of leasing transactions including Industrial Leasing, computers and cars in the U.K. for well over a decade.
2. **Talent.** Our executives are drawn from banking, accountancy, legal and actuarial professions – professional people capable of understanding the financial aspects of your company's business and how they relate to leasing.
3. **Strength.** We are a member of the Midland Bank Group which means our financial standing and resources are of a magnitude that allows us to take on virtually any size of leasing arrangement.
4. **Service.** We endeavour to maximise your company's return on its financial commitment by carefully constructing individual leasing packages that take full advantage of your financial situation. We believe we are better at achieving this aim than any other leasing company. And that cannot just be our belief because, year after year, more and more companies come to us for Industrial Leasing.

To learn more about our approach to leasing and how it could help your company, please contact us.

Midland Montagu Leasing Limited

Head Office: Gillett House, 55 Basinghall Street, London EC2V 5DN. Telephone: 01-606 5951/4. Member of the Midland Bank Group.

Regional offices: SOUTH: London 01-638 1674/8 MIDLANDS: Birmingham 021-454 4505 Leicester 0533-553104 NORTH: Leeds 0532-457591/2 Manchester 061-834 9766/7 Newcastle upon Tyne 0632-28797 SCOTLAND: Edinburgh 031-225 4648 Glasgow 041-221 5621 Aberdeen 0224-29441 NORTHERN IRELAND: Belfast 0232-28220.

Bos Kalis quits Western Sahara harbour contract

BY CHARLES BATCHELOR IN AMSTERDAM

A DUTCH construction company has for the time being pulled out of a contract to extend a harbour in the Western Sahara because of fears of disruption by Polisario guerrillas.

The Fl 110m ($53m) order to enlarge the fishing harbour of El Ayoune was the first major contract awarded to a foreign company in the desert area, where the Algerian-backed Polisario Front is fighting Moroccan forces.

The initial contract between Bos Kalis Westminster and the Moroccan Government was signed less than two months ago. Bos Kalis has now decided to put off the work since the risk of disruption by the Polisario is unacceptable, Mr. Hans Kraaijeveld van Hemert, the Bos Kalis chairman, said yesterday.

Bos Kalis's decision represents a major blow to the Moroccan Government which saw the order as an implicit acceptance of its sovereignty over the Western Sahara. The suspension of work had been "difficult" although the Moroccan Government finally accepted its reasons for the move, the company said.

Bos Kalis was to have built dams, harbour walls and breakwaters and dredge 2m cubic metres of earth to make the small fishing harbour suitable for larger vessels. The work would have taken 2½ years.

Polisario took the view that the enlarged port could be used by supply vessels for the Moroccan forces operating in the area and considered any construction work an "act of war," Mr. Van Hemert said. "We underestimated the need to talk with Polisario before going ahead with the order, he added. "We accept that this was our fault."

The Moroccan Government is optimistic that Bos Kalis will be able to go ahead with the project in the near future although there are no indications as to when this will be, the company said.

Moroco attached great importance to the contract because it implied that foreign powers might modify their stand over recognising its sovereignty over the disputed Western Saharar. The order had, however, prompted parliamentary questions in the Netherlands since MPs last November approved a motion calling for the Netherlands to do all it could to oppose the Moroccan occupation.

UK sulphur buying pool approved by Commission

BY GILES MERRITT IN BRUSSELS

THE EUROPEAN Commission's competition authority has agreed to allow the 21 UK companies responsible for the bulk of Britain's sulphuric acid output to continue to buy and import crude sulphur collectively.

Known as the "sulphur pool," the collective concludes import contracts on behalf of its members every six months. The membership, comprising both small and large companies, accounts for 85 per cent of UK production of sulphuric acid and includes ICI and Courtaulds.

The Commission's view of the system, following public hearings is that by putting member companies in a strong position when negotiating contracts, it allows smaller users to benefit from lower prices. However the Brussels authorities have insisted on a number of amendments to the pool.

Its restrictions on the use and re-saleof sulphur have now been abandoned, so that crude sulphur can be resold to other users in the EEC. The pool's status as exclusive supplier to its members has also been abolished if they wish, they may now buy up to 75 per cent of their total needs from elsewhere.

European toy safety directive proposed

By John Wyles in Brussels

THE European Commission is preparing to ride into battle on behalf of the EEC's millions of children with a proposed directive for the first set of Community-wide standards for toy safety.

This, at least, is the hope of consumer protection organisations and many toy manufacturers throughout the EEC. The former are concerned about discrepancies between different national laws which mean that their effectiveness varies greatly. Manufacturers see many national regulations as major "non-trade barriers" to expanding intra-community business.

Given the Community's usual pace on harmonisation, adoption of the proposed directive by the Council of Ministers is probably many months and perhaps some years away. But the directive is among the most socially and economically significant of those produced by the Commission.

It is also the product of close to seven years' study consultation and analysis by Commission staff of an industry whose products are both diverse and numerous, but which amounts to a major consumer business with EEC-wide sales worth more than an estimated £2bn a year.

Among other things, the Commission's directive sets out general safety objectives. It says toy design should try to eliminate risks inherent in the physical and mechanical properties of a toy, including the chemical materials used in manufacture. Other risk categories include explosion, electric shock or burning, risk of infection due to poor hygiene and radioactive contamination.

The Commission plans to draw up specific technical standards for each category of risk.

Enforcement of the standards will be left to member States which will be required to ensure adequate checking to secure compliance. Officially prescribed tests could be carried out by approved laboratories and certificates of conformity issued.

New Delhi tightens import policy

BY K. K. SHARMA IN NEW DELHI

INDIA'S import policy for 1980-81 announced in New Delhi this week continues to be liberal, but some restrictions have been introduced because of the stagnation of exports which have fallen to an annual growth rate of just 7 per cent in the last three years.

The main change is that more than 50 items have been taken out of the purview of the open general licence, mainly to promote indigenous industry and reduce dependence on imports. These items have been put onto the banned or restricted lists while a number of other items have been transferred from the restricted list to the banned list.

Announcing the policy, Mr. Pranab Mukherjeg, the Commerce Minister, said some from the banned list to the restricted list also, so that industry should have no difficulty obtaining imported materials not adequately produced in India. For the same reason, consumable items which are not included in the banned, restricted or canalised (through public sector agencies) lists are allowed to be imported under the open general licence by actual users.

The policy for import of spares for maintenance of machinery and equipment has been liberalised.

Import licences for spares will be issued to workshops engaged in the repair of machinery and vehicles so as to make it easier for users of machinery, equipment and vehicles to get servicing facilities.

For the pharmaceutical industry, loan licences approved under the Drugs and Cosmetics Act have been made eligible for "actual users' licences" in their own name for import of raw material. Mr. Mukherje said all these steps were intended to promote the growth of diversified and broad industrial base to meet domestic and export requirements.

Public sector agencies will continue to play a dominant role in foreign trade, they will be granted import licences even for the "non canalised" items without having to obtain specific foreign exchange clearance for the purpose. The policy of "import canalisation" through public sector agencies will continue.

A few items have been added to the open general licence for import by all persons for stock and sale. These include copper scrap, lead scrap, photographic colour films and photographic colour paper.

Mr. Mukherjee said that liberalisation of imports was not an end in itself, but was intended to serve a purpose. Protection of the indigenous industrial capabilities had been given increased importance in the new policy. The objective was to encourage a diversified and expanded industrial production base which would help to curb inflationary tendencies in the economy and provide a healthy basis for a vigorous export drive.

Under the new policy, exporting companies will enjoy a greater flexibility in the import of items against their replenishment licences. They will not be confined to the usual shopping list of important inputs but will be able to import any raw materials, components, consumables or packing materials required for use in their own factories.

A further scheme has been introduced which would allow imports of raw materials against without payment of custom duty. The scheme of advance licences, with benefit of customs duty exemption, has also ben made more comprehensive and simpler, with more import items added to it.

Cheap London-Paris air fares 'a success'

BY MICHAEL DONNE, AEROSPACE CORRESPONDENT

THE EARLY results of the cheap fares experiment by Air France and British Airways on the London-Paris air route indicate that it is successful.

Mr. Michel Baron, the UK general manager of Air France, said yesterday that in the first two weeks since the experiment began on April 1, Air France had experienced an 18 per cent increase in its traffic on the route compared with the same period of last year.

While part of this expansion can be attributed to the natural growth in air traffic on the busiest international air routes in the world, there is no doubt in the minds of the Air France planners that the bulk of the improvement is attributable to the cheap fares experiment.

The two airlines are offering a new type of service on the route. This involves the abolition of first class travel and the introduction of a two-class service—Club Clas and Economy Class. The Club Class single fare is £55 against the former first class rate of £71 single, while the Economy Class rate is £42.50 single against the original £47.

While these reductions may not seem to be very substantial Air France is convinced that they are attracting increased traffic. The airline said yesterday that its average load factor (the percentage of seats filled) on its London-Paris flights had been running at over 75 per cent in the early part of April, while the advanced bookings indicated a high level of traffic for the early part of the summer.

Air France, like British Airways, is not yet willing to say whether this new experiment will be extended to other European international routes, either from London to the Continent or within Europe itself. The only additional route on which it is due to commence is London-Nice on April 21.

But both airlines are now involved in extensive discussions with most of the other major short haul airlines in Europe.

Reuter adds from Tokyo: A joint Anglo-Japanese company, Rolls Royce and Japanese Aero-engines Ltd., has been established at Derby in the UK to develop a jet engine for short and medium-range commercial aircraft.

Under a 50-50 joint development agreement signed last December, Rolls Royce and three Japanese companies will develop a low fuel consumption jet with a thrust of 19,000 pounds in eight years at a total cost of Y140bn (£253m).

The Japanese companies are Ishikawajina-Harina Heavy Industries, Mitsubishi Heavy Industries and Kawasaki Heavy Industries.

KCA negotiates Brazil oil deal

BY MARTIN DICKSON, ENERGY CORRESPONDENT

KCA INTERNATIONAL, the British-based oil drilling and services group, is in the final sharing exploration agreement with Brazil's Paulipetro, the Sao Paulo State oil company.

The move is regarded as spearheading KCA's expansion into Brazil and Latin America generally. It also underlines the gradual erosion of the exploration monopoly in Brazil once enjoyed by Petrobras, the national oil company.

Paulipetro, set up late last Paulo Maluf, the Governor of Sao Paulo, has an agreement with Petrobras which entitles it to prospect for oil both inside and outside Sao Paulo State. Paulipetro has been keen to attract foreign risk partners and is now involved in the drafting of final letters of intent with KCA.

The plan is that KCA would set up a subsidiary Brazilian company, linked to two further offshoots

Profits from the drilling company would be invested in the exploration company as KCA's contribution to the risk capital. The sum involved could be between $1m and $2m a year.

In a significant new step Petrobras has limited its own exploration work to the 760,000 square kms in which it is already involved. It has opened the remainder of Brazil's 5m square km tso risk contracts with private companies, foreign or local.

This reflects the Government's ambition to see production rise from the present 190,00 b/d to 500,000 b/d in 1985.

Unions to halt output in Coca Cola protest

BY BRIJ KHINDARIA IN GENEVA

TRADE UNIONS in Sweden, Finland, Mexico and Spain have decided on a temporary halt in production and sales of Coca Cola to back a demand for an end to alleged worker repression at Coca Cola's Guatemala plant.

The Geneva-based International Union of Food and Allied Workers (ILF) said the unions were responding to a call it made two months' ago for action against the Atlanta-based Coca Cola company's handling of the complaints about its Guatemala licensed bottler. The ILF claims that Coca Cola workers in Guatemala are subject to "violent repression."

Swedish workers will halt Coca Cola production for three days this month, while Coca Cola production will be halted in Mexico for a week beginning April 24. Spain's restaurant and hoteliers union has decided not to sell Coca Cola for ten days starting May 1 and Finnish food workers' unions have called for a three-day produc tion stoppage and a consumer boycott for five days starting April 25.

Sharp rise in Japan ship exports

TOKYO — Foreign orders received by Japanese shipyards in the financial year to last month totalled 294 ships, amounting to 7.24m gross tons, the Japan Ship Exporters' Association said.

This was up sharply from 154 vessels, totalling 2.24m tons, in 1979.

The 1979 total comprised 38 freighters totalling 321,800 tons, 128 bulk carriers totalling 3.68m tons, 110 tankers, totalling 3.20m tons, two ore/oil carriers totalling 8,600 tons and 16 others.

The association also said 1979 export orders were worth Y1.17m (£2.1bn), up sharply from Y1bn a year ago.

The sharp recovery in export orders was aided by the yen's depreciation against the U.S. dollar and an improvement in world shipping business.

The association said more than 85 per cent of the total contracts were denominated in yen.

The fiscal 1979 order total included 39 ships totalling 982,000 tons ordered in March, compared with 38 and 972,900 tons in February, and 13 and 130,300 a year earlier.

March export orders included 19 bulk carriers totalling 613,900 tons, 15 tankers 359,400 tons, two freighters 7,000 tons and three others 1,700 tons.—Reuter.

Nissan Motor, a major Japanese car and light truck producer, is expected today to announce its plans for the construction of a $300m light truck manufacturing and assembly plant, to produce about 120,000 trucks for the U.S. market annually, AP-DJ reports from Washington.

UK ECONOMIC INDICATORS

ECONOMIC ACTIVITY—Indices of industrial production, manufacturing output (1975=100); engineering orders (1975=100); retail sales volume (1976=100), retail sales value (1976=100); registered unemployment (excluding school leavers) and unfilled vacancies (000s). All seasonally adjusted.

	Indl. prod.	Mfg. output	Eng. order	Retail vol.	Retail value	Unemployed	Vacs.
1978							
4th qtr.	110.3	103.1	109	101.7	132.3	1,340	230
1979							
1st qtr.	110.2	102.8	98	100.7	134.0	1,351	234
2nd qtr.	114.9	107.1	106	106.2	144.8	1,299	256
3rd qtr.	113.3	103.2	99	99.5	144.6	1,269	247
4th qtr.	113.1	104.1	106	101.7	151.9	1,286	230
Oct.	112.1	102.8	101	100.8	149.1	1,282	237
Nov.	114.6	105.8	114	102.5	153.2	1,282	234
Dec.	112.5	103.8	103	101.7	153.1	1,294	219
1980							
Jan.	112.2	102.9		103.0	155.3	1,339	207
Feb.				104.1	158.7	1,414	181
March						1,414	181

OUTPUT—By market sector; consumer goods, investment goods, intermediate goods (materials and fuels); engineering output, metal manufacture, textiles, leather and clothing (1975=100); housing starts (000s, monthly average).

	Consumer goods	Invst. goods	Intmd. goods	Eng. output	Metal mnfg.	Textile etc.	Housg. starts*
1978							
4th qtr.	105.8	97.2	124.0	96.9	99.5	102.2	20.3
1979							
1st qtr.	106.0	99.3	127.2	98.9	99.6	100.1	12.9
2nd qtr.	108.8	103.0	132.8	102.7	108.2	103.1	21.3
3rd qtr.	105.6	95.9	132.7	94.9	105.4	100.6	21.0
4th qtr.	105.1	101.2	130.1	98.4	99.2	96.2	18.1
Oct.	104.0	98.0	130.0	96.0	100.0	97.0	20.5
Nov.	107.0	103.0	132.0	101.0	101.0	98.0	19.2
Dec.	105.0	103.0	128.0	101.0	97.0	93.0	14.6
1980							
Jan.	107.0	103.0	127.0	102.0	61.0	98.0	13.1
Feb.							11.4

EXTERNAL TRADE—Indices of export and import volume (1975=100); visible balance; current balance (£m); oil balance (£m); terms of trade (1975=100); exchange reserves.

	Export volume	Import volume	Visible balance	Current balance	Oil balance	Terms trade	Resv. US$bn*
1978							
4th qtr.	122.5	112.9	−206	+534	−458	106.5	15.77
1979							
1st qtr.	109.0	116.9	−1,588	−1,215	−235	107.0	16.78
2nd qtr.	135.3	128.9	−486	−310	−229	106.4	21.69
3rd qtr.	129.8	128.1	−493	−238	−158	106.8	23.18
4th qtr.	129.3	128.9	−745	−674	−157	103.7	22.54
Nov.	131.8	125.8	− 75	− 51	+ 27	104.1	22.42
Dec.	131.3	131.2	−252	−229	− 88	102.6	22.72
1980							
Jan.	129.9	128.3	−321	−271	− 74	100.9	23.71
Feb.	136.8	129.1	−226	−176	− 52	100.6	23.93
March							26.96

FINANCIAL—Money supply M1 and sterling M3, bank advances in sterling to the private sector (three months' growth at annual rate); domestic credit expansion (£m); building societies' net inflow; HP, new credit; all seasonally adjusted. Minimum lending rate (end period).

	M1 %	M3 %	Bank advances %	DCE £m	BS inflow	HP lending	MLR %
1978							
4th qtr.	14.9	11.9	8.6	+1,774	878	1,584	12½
1979							
1st qtr.	7.6	9.3	32.6	+1,525	777	1,581	13
2nd qtr.	9.7	17.2	28.5	+2,707	777	1,867	14
3rd qtr.	15.5	10.2	13.2	+2,409	933	1,879	14
4th qtr.	5.1	12.6	16.2	+2,891	839	1,954	17
Nov.	6.5	13.3	19.1	+1,094	134	698	17
Dec.	5.1	12.6	16.2	+ 250	161	593	17
1980							
Jan.	− 3.1	8.7	22.6	+ 792	235	668	17
Feb.	− 6.4	10.0	20.7	+ 495	199	667	17
March					200		17

INFLATION—Indices of earnings (Jan. 1976=100); basic materials and fuels, wholesale prices of manufactured products (1975=100); retail prices and food prices (1974=100); FT commodity index (July 1952=100); trade weighted value of sterling (Dec. 1971=100).

	Earnings*	Basic matls.*	Whsale. mnfg.*	RPI*	Foods*	FT* comdty.	Strlg.
1978							
4th qtr.	136.4	147.1	157.3	202.6	208.0	257.69	62.7
1979							
1st qtr.	144.2	153.4	161.6	208.9	218.8	268.88	64.0
2nd qtr.	147.3	163.3	168.0	216.5	225.2	293.55	67.4
3rd qtr.	154.2	169.9	176.4	231.1	231.9	301.66	71.0
4th qtr.	161.7	183.9	181.8	237.6	237.2	295.13	68.8
Oct.	158.1	178.1	180.3	235.6	234.8	291.34	68.4
Nov.	162.1	186.0	181.6	237.7	237.6	297.22	68.4
Dec.	165.1	187.5	183.4	239.4	239.9	295.13	69.7
1980							
Jan.	163.0	193.5	188.5	245.3	244.8	306.59	71.4
Feb.	167.3	197.6	191.5	248.8	246.7	304.27	73.2
March		199.4	194.0			284.47	72.6

* Not seasonally adjusted.

هكذا من الأصل

Sharp rise in Japan ship exports

Prudential profile No.1: Kenneth Fleet reporting

Kenneth Fleet, City Editor of the Sunday Express and a well known financial journalist, talks to Sir Hector Laing, Chairman of United Biscuits (right) and Brian Medhurst, Prudential Investment Manager (left) at the control centre of the Company's Harlesden factory.

"The Prudential invests £3 million a day. At the control centre of United Biscuits I find out where some of it goes."

The Prudential invests up to £3 million a day. The selection of companies in which it invests is based on more than abstract analysis of performance and prospects, as Kenneth Fleet discovered when he accompanied Brian Medhurst on one of his regular visits to Prudential-backed companies. We join them in conversation with Sir Hector Laing at Europe's biggest biscuit factory.

Fleet: The Prudential is the largest institutional investor in Britain. How many companies have you invested in?

Brian Medhurst: *(Prudential Investment Manager)* In the United Kingdom, we have investments worth more than £2 billion, spread over 600 companies. Our holdings, however, range from a very small percentage in some to more than 7% of the capital of others.

Fleet: How do you regard your relationship with these companies?

Medhurst: One of active interest in the progress of what is normally a long term involvement. We know how much we depend on successful and enlightened management, and so we seek to gain at first hand a clear understanding of management philosophy and attitudes.

Sir Hector Laing: *(Chairman of United Biscuits)* An approach which we welcome. We don't feel the Pru is prying into our affairs. We like to give them confidence that our policies are right. It is a great company, with which we are proud to be associated. With their expertise, investing as they do in a very wide range of companies, sometimes the questions they ask us challenge our thinking. They help us to form our ideas for the future.

Fleet: Do you at the Pru genuinely know and understand manufacturing industry?

Medhurst: If we didn't, you might well ask what we have been doing for the past 30 years: for during that period we have built up a team of investment specialists who have been closely involved in studying companies and the industries in which we invest. I believe we know a lot about industry. What we do not know is how to manage industry, but that is not our job. You might say we are in the business of identifying and backing good management.

Fleet: Does the Pru's size make you vulnerable to outside pressures?

Medhurst: Public and political opinion is focused on the way we behave. If we don't handle our responsibilities well, we are going to be criticised. The pendulum has swung considerably in recent years from an objection to 'interference' to one favouring active concern and involvement. We are glad it has. Our wish to get closer to companies is now seen in a favourable light.

Fleet: What is your attitude, Sir Hector, to so-called 'interference' in board room matters by institutional shareholders like the Pru?

Laing: If the Pru appeared to be 'interfering' in our company, it would indicate to me that they thought our plans, or our performance, were not good enough. Long before that arose, I would welcome somebody from the Prudential coming to talk to us about their worries. I would not consider it as interference, but rather as taking a responsible interest.

Fleet: So you have the kind of confidence in the Prudential which you hope the Pru has in United Biscuits?

Laing: Yes. Confidence has got to be earned on both sides. We have total confidence in them, and so far, I hope, we have shown that they can have total confidence in us.

Fleet: Is the relationship between you a developing one?

Laing: Yes, it is. In the old family business days, the owners could not take their money out at short notice. The same is true of major institutional shareholders today.

Fleet: Can you, Brian, still vote with your feet?

Medhurst: Collectively we cannot, for one institution would most likely be selling to another. So, having developed confidence between ourselves and a company over the years, if there are weaknesses we can make suggestions and hope for a positive response. This is in everyone's interest and much better than simply selling our shares.

Fleet: Do you feel a social responsibility when you invest, which goes beyond getting the best possible return for your policyholders and shareholders?

Medhurst: There really is no conflict here. Our responsibility is primarily to the 8 million policyholders whose savings we are managing and we are committed, in a very competitive world, to achieving the best return on these savings. But society benefits from our channelling these resources into areas likely to produce the best return.

The Prudential's annual report is now available from the Publicity Department, Prudential Assurance Company Limited, 142 Holborn Bars, London EC1N 2NH.

Prudential

You don't know the half of it.

Barnes given time to appeal

THE THREAT of imminent bankruptcy has been lifted from Mr. Derek Barnes, former chairman and managing director of Northern Developments (Holdings).

Mr. Barnes' solicitors said yesterday that a High Court judge had suspended an order made on Monday in which Mr. Barnes was refused a stay of execution of the £1.78m judgement obtained against him by Williams and Glyn's Bank.

The suspension will remain in force until Mr. Barnes is able to appeal against the refusal of a stay, which, said his solicitors, could be for two or three months.

The effect of the suspension is to prevent Williams and Glyn's from serving a bankruptcy notice on Mr. Barnes demanding payment of the debt which, with interest and costs, totals about £2.5m.

Failure to pay under such a notice would be an act of bankruptcy, entitling the bank to file a bankruptcy petitio.

A stay of execution would prevent the institution of bankruptcy proceedings.

Mr. Barnes' solicitors said that at a private hearing on Tuesday new material had been put before the judge and, as a result, he had suspended his order. Mr. Barnes has until June 1 to lodge notice of appeal against the judgement in the main action, in which Mr. Justice Gibson held last month that Williams and Glyn's was entitled to repayment of loans made to Mr. Barnes.

At Monday's hearing Williams and Glyn's undertook not to proceed with a bankruptcy petition if Mr. Barnes lodged a genuine notice of appeal by June 1.

In addition, the bank would not oppose any application by Mr. Barnes for a stay of further bankruptcy proceedings pending the outcome of the appeal.

Thorn criticises plan to protect TV market

BY ELAINE WILLIAMS

PLANS BEING considered to protect Europe's television industry from Japanese competition have been criticised by Thorn Consumer Electronics, the UK's largest manufacturer of TVs.

Mr. David Hewitt, the company's commercial director, said: "We think that to take a narrow view about Japan in isolation is improper. If the EEC has a wish to protect European industry during restructuring, it is obliged to look at all suppliers, not just one in isolation."

The company believes that the European Commisison shoul also examine imports from Taiwan, Korea and Singapore if it wants to impose import curbs. The proposals before the Commission, which are supported by Viscount Etienne Davidgnon, EEC Industry Commissioner, would replace various restrictions operated by EEC members.

Mr. Hewitt said voluntary restraint agreements negotiated annually by Britain and Japan protect British interests.

Protection has been given by patents covering the PAL television system which is operated in most European countries, one exception being France. This has restricted the size of TV screen which can be imported to any country using the PAL system.

Thorn believes that although some of the major patents have, or are about to, expire, protection from those still operating would be enough to halt further Japanese inroads.

Many Japanese manufacturers now produce sets in the UK. Sony and Matsushita, under the Panasonic trade mark have plants near Cardiff. Hitachi and Toshiba have joint agreements with GEC and Rank respectively.

Thorn's TV manufacturing facilities will have reached the same standards as its Japanese competitors by July when a £13m modernisation programme is completed at its Gosport and Enfield factories. Automated machinery will account for nearly 70 per cent of production, double the existing capacity.

This modernisation has cost more than 2,000 jobs at Thorn. In 1979 the company closed its Bradford factory, and another 300 will be lost at the Enfield and Gosport plants, which employ 1,400 and 1,700 respectively, through natural wastage.

The UK television industry was criticised in the Boston Report two years ago for its low use of robots, a factor which, it claimed, contributed to inferior production rates and reliability.

Thorn says the introduction of robots for its TX9 range of television chassis has greatly improved reliability. Two weeks ago it began manufacture of the TX10 chassis for 22 inch and 26 inch models under the Fidelity brand. Both designs contain about a third less components than those they replace.

Recently, Thorn sold the TX9 manufacturing licence to Italian manufacturers Philco-Italiano a deal which will earn £2.5m for Thorn in the first increasing outlet for its business in selling television technology to medium-size European manufacturers which do not have the resources to undertake new designs.

Thorn is to spend £3m in the autumn on promoting a range of sets to replace the 9000 series.

The company will manufacture about 720,000 sets this year. It anticipates a big demand for replacement colour televisions this year as sets designed in thet early 1970s become obsolete.

Fewer homes for Ulster

BY OUR BELFAST CORRESPONDENT

GOVERNMENT spending limits on the Northern Ireland Housing Executive will mean building of 25 per cent fewer homes than planned in 1980-81.

The executive, responsible for all public authority housing, has been told to keep spending on capital projects to £112m as against the planned £130m.

The number of new houses to be started this year will be 3,078 instead of the planned 4,165. The executive's programme to rehabilitate and otherwise improve existing housing will be trimmed.

The xecutive said yesterday that a "measure of priority" would be given to Greater Belfast and Londonderry, where housing need was greatest.

Mr. Charles Brett, chairman of the executive, said that if the private sector could make an increased contribution, as the Government hoped, it would be very welcome.

But it seemed that unless prices and interest rates fell dramatically, or incomes and prosperity soared, only the public sector could provide the number of homes needed.

Northern Ireland's housing standards are low. It has 141 unfit houses in 1,000 against 46 ped 1,000 in England and Wales.

Teacher shortage worries ICI

By Sue Cameron, Chemicals Correspondent

LATEST FIGURES on the small number of students wanting to teach chemistry and physics were described as "really frightening" by Imperial Chemical Industries yesterday.

The group said shortage of science and mathematics teachers was hitting UK chemical industry recruitment.

ICI said that of 8,627 students applying to train next year as teachers via the B.Ed. route only 22 wanted to teach physics and 20 chemistry. An "unbelievable" 1,740 applied to teach physical education. Of 12,050 post-graduate students only 229 wanted to teach physics and 435 chemistry.

There was an estimated 2,000 physical-science teachers national shortage of about and about 4,000 mathematics teachers, ICI said. But the group believes statistics sometimes hide true dimensions of the problem.

Many schools had stopped teaching physics and chemistry altogether because they were unable to find people qualified to fill long-standing vacancies, Mr. Bob Finch, ICI's schools liaison officer, said they had substituted economics or other subjects.

Other schools had filled vacancies with teachers unqualified to take science subjects. A "horrifyingly high" number of unqualified people were teaching physics and chemistry.

Traffic through Britain's ports up by 9% in 1979

BY WILLIAM HALL, SHIPPING CORRESPONDENT

THE TRAFFIC passing through Britain's ports rose by 9 per cent in 1979 to a new peak of 386m gross tonnes. About two thirds of the traffic (225m gross tonnes) was fuel.

As in previous years, the trend has been away from old-established large ports on the west coast towards smaller ports on the east coast. This reflects Britain's growing trade with the EEC and relative decline in trade with the old Commonwealth countries.

But on top of this Britain has ben developing a number of oil terminals which are fast becoming among the biggest in the world.

Sullom Voe in the Shetlands, and Flotta in the Orkneys collect oil by pipelines from the North Sea and then distribute it by tankers to refineries in Europe.

Traffic through London, Britain's premier port, dropped by nearly 7 per cent last year. Liverpool suffered an even sharper drop, with volume down by some 1[1] per cent, according to the latest quarterly statistics from the National Ports Council.

Tees and Hartlepool recorded a sharp increase in traffic and in te next two years should emerge as Britain's biggest port in terms of tonnage handled.

In common with Sullum Voe and Flotta, Tees and Hartlepools Norsea terminal, which services the Ekofisk complex, is rapidly becoming a major European oil terminal. Last year Norsea exported 16m tonnes of oil. This year 20m tonnes should be exported and next year 28m tonnes.

Milford Haven, Britain's major oil terminal and second largest port, suffered a 3 per cent drop in traffic last year. However, overall fuel traffic increased by 12 per cent, reflecting Birtain's growing role as an oil exporter. Fuel export traffic jumped by 36 per cent.

Non-fuel traffic rose by 4 per cent in 1979. Exports fell by 2 per cent but imports rose by 8 per cent. Raw material imports rose 12 per cent and manufactured goods traffic rose 9 per cent.

BRITISH PORT TRAFFIC—1979

	m. gross tonnes	
London	39.5	— 6.9
Milford Haven	38.6	— 3.1
Tees & Hartlepool	37.1	+18.3
Forth	28.8	+ 1.1
Grimsby	24.7	— 3.8
Southampton	22.6	+12.9
Shetlands	19.8	+12.6
Orkneys	17.6	+14.1
Liverpool	13.1	—11.3
Manchester	11.9	— 8.0
Clyde	10.1	+ 9.2

Source: National Ports Council, Quarterly Bulletin of Statistics.

Covrad to make 230 redundant

BY LORNE BARLING

COVRAD, the Coventry-based subsidiary of Associated Engineering, is to reduce its workforce by about 18 per cent, making 230 people redundant. The move is due to falling demand for radiators and other products in home and overseas markets.

Most of the cuts will be in the company's heat transfer division, which makes radiators and cooling equipment mainly for commercial vehicles and industrial engines.

The company has been operating a four-day week since the start of February, partly as a result of steel shortages, and poor demand.

This has been caused by depressed conditions in the UK power-generating sector, and problems in formerly profitable overseas markets such as Iran, Iraq and Nigeria.

Mr. Alastair McWilliam, Covrad's managing director, said that demand for industrial space-heating equipment had also fallen as a result of the mild winter and cash problems in industry.

Covrad hopes most of the redundancies can be achieved voluntarily over a five-month period and that no further cuts will be necessary.

Mr. McWilliam said Covrad would have to improve its productivity to remain competitive.

Textile sales up this year

BY JAMES McDONALD

SALES in seven out of 12 textile sectors increased in January compared with the same month last year.

However, in two sectors — men's and boys' ready-made clothing and overalls, and piece goods and nets — there were huge falls over the same month a year earlier, according to statistics released by the Textile Distributors Association.

Gross sales, less returns, of men's and boys' ready-made clothing and overalls in January were only about half the level of January, 1979. In the piece goods and nets sector, sales were only 27 per cent of the level a year before.

Sales of household textiles stood at just over 87 per cent of the January, 1979, figure, and smaller declines over the year were shown in the women's underwear and coats, costumes, furs and raincoat sectors.

Increases were shown, however, in sales of women's knitted outerwear, blouses and skirts. Sales in the sector rose 29.1 per cent over the year, and in women's hose and children's socks there was an increase of 19.1 per cent.

Children's wear sales also were up by 25.6 per cent, floorcoverings rose 15.7 per cent, boots and shoes by 31.8 per cent and there were marginal increases in haberdashery, ribbons and wool, and gloves.

Nine sectors of the textile industry showed increases in stocks at the end of January compared with a year before. Stocks of gloves were 482.7 per cent higher and stocks of men's and boys' ready-made clothing and overalls were up by 78.4 per cent.

In the women's hose and children's socks sector also, stocks were 41.5 per cent higher. Stocks of women's coats, costumes, furs and raincoats were up by 20.7 per cent and those of women's knitted outerwear, blouses and skirts rose by 16.8 per cent.

There was, however, a sharp drop in stocks of piece goods and nets to only 24.4 per cent of the end-January, 1979 level.

Seminars to help garment industry

By Maurice Samuelson

LOW COST improvements in manufacturing methods which are claimed to be capable of saving some vulnerable clothing companies from closure are to be demonstrated to the industry in a series of seminars in Leeds, Nottingham and London, starting next month.

They will demonstrate improved production methods identified over the past two years by 10 companies which expect that their combined savings as a result of the improvements will exceed £250,000 a year.

the Garment Technology Group,
The project was organised by which combines the expertise of wide sections of the clothing industry.

Dr. B. E. King, director of the Wool Industry Research Association who supervised the project, said in London yesterday that by improving their existing techniques companies with 150 to 200 employees could save £25,000 to £50,000 a year. For many companies threatened with closure this could be the key for their survival.

Telephone service 'making little headway'

BY JOHN LLOYD

SERIOUS inadequacies in the Post Office's telecommunications services are frustrating the needs of customers, particularly businesses, says the Post Office Users' National Council.

The Council claims that there is justification for believing that Post Office forward planning "has gone completely awry." It says there are nearly half a million people waiting for a telephone to be installed, and thousands of business users who want to expand their system.

The unusually outspoken criticism of the telecommunications business, in the Council's quarterly digest, came one day after Sir William Barlow, the Post Office chairman, announced his resignation.

One reason for Sir William's decision to retire with two years of his five-year contract contract remaining is thought to be his inability to provide a better service telecommunications because of Government cash restrictions.

The Council says the number of complaints it receives shows that the telecommunications business is making little headway in satisfying customers' demand, and that waiting lists in some regions appear to be growing.

It says: "What comes across perhaps more clearly than anything else from complainants is the conviction that identifying someone who can talk authoritatively about the problems associated with meeting their needs is well nlight impossible. They seem to be passed from pillar to post and to be unable to elicit any meaningful response along the way."

The Council is also concerned by its own lack of status. It complains of receiving proposals for price rises to late to be in a position to affect Government policies, and claims this attitude shows that "little more than lip service" is paid to consumers' interests.

"That aspect of the procedure which results in proposals being put to POUNC only after they have been 'cut and dried' and given Government approval tells us more about the Government's view of where customers stand in the pecking order than any statements they might issue in response to our reports," it says.

The Council says that it should receive, confidentially, tariff proposals at the same time as they are submitted to the Government.

The Council is also worried about its role after the Post Office splits into two businesses. It is opposed to a "super-nationalised industries consumers council," though it has more enthusiasm for a communications industries council as a counterpart to an energies' industry council.

"On the other hand, if the logic of seperate councils for individual industries remained, the logic of splitting the Post Office businesses would mean that POUNC should also be split," it says.

Plan to merge accounting firms

BY MICHAEL LAFFERTY

CORK GULLY, the City accounting firm which specialises in insolvency work, is to merge with Coopers and Lybrand, one of the largest UK accounting firms.

Cork Gully is taking this step after the failure of its plan to merge with Jolliffes, another City accounting firm.

As a result of the merger, which is due to take effect from July 1, the joint firm of Jolliffe Cork, which was created in 1976, will cease to exist. Jolliffes will revert to its previous status as a medium-sized accounting firm with a general practice and a strong audit base.

The merger with Coopers will not result in the loss of Cork Gully's identity. Instead, both the Coopers and Cork Gully insolvency practices will be merged, and the new firm will operate as a sub-partnership within the Coopers and Lybrand group.

The merger could make Coopers and Lybrand the largest accounting firm in the UK insolvency market.

The new firm will include all the present partners of W. H. Cork Gully other than Mr. Anthony Jolliffe, a senior partner of Jolliffes, and a number of partners from Coopers and Lybrand, including Mr. David Hobson, the senior partner, and Mr. Donald Chilvers.

Sir Kenneth Cork, the senior partner and driving force of Cork Gully, will become a consultant to Coopers and Lybrand.

Mr. Hobson said yesterday that the move represented an attractive opportunity for Coopers to develop its activities.

Sir Kenneth said Coopers had been his first choice for a partner once the decision had been taken to link with a larger firm six months ago. He was convinced the future lay "with the big battalions."

The move had not in any way been dictated by his own pending retirement.

Local authorities must curb manning says Heseltine

BY ROBIN PAULEY

LOCAL AUTHORITIES could avoid further rate rises and redundancies this year by tackling manpower levels, Mr. Michael Heseltine, the Environment Secretary, said yesterday.

Local authority leaders claim that Government refusal to provide extra cash toward paying for the Clegg comparability award to teachers will lead to supplementary rate demands, cuts in services and "massive redundancies."

Mr. Heseltine has told local authorities that the Government is sticking to its cash limits, and that no extra money will be available for pay awards or inflation above the 13 per cent provided when the 1980-81 rate support grant levels were fixed last November.

The Government claims that it provided an "adequate and realistic" amount for comparability awards when it fixed the total amount of rate support grant for 1980-81 at £1.38bn. An extra £150m was allowed, to be paid in November, 1980, for pay and comparability awards settled in 1979-80, but which have become payable in full during the current financial year.

It is not possible to ascertain how much is for comparability awards in 1980-81 because the Government has refused to break down its cash unit calculations.

The Clegg awards for teachers, expected to cost an extra £640m in the current year, was not far removed from the expected figure, and it must be assumed that most local authority treasurers advised their councils at rate-fixing earlier this year to allow for something of that order.

Yesterday Mr. Heseltine made plain that his policy was that there would not under any circumstances be more cash—for teachers, or for other high wage awards to blue-or white-collared workers, or for fire, police and ambulance employees.

A few authorities, trying to follow Government instructions to cut costs and keep rates down, may have underestimated Clegg and run their balances precariously low.

Companies reluctant to back strike fund

BY JOHN ELLIOTT, INDUSTRIAL EDITOR

LEADERS of the Confederation of British Industry are still not sure whether they will gain sufficient support to justify introducing their proposed strike fund insurance in the autumn.

More than 75 per cent of some 120 companies of various types and sizes consulted have so far expressed continuing interest, but only a handful have firmly committed themselves.

The scheme needs to be backed by sufficient companies to produce an annual income in its early years of about £50m. If it were smaller than this it would not be attractive to many companies, especially larger concerns.

"It is still possible that we will not go ahead," Sir John Methven, CBI director general, said yesterday.

Sir John also admitted that some companies might agree to join because they are more interested in showing "employer solidarity" with the CBI than simply in the financial aspects of the scheme.

He said some large companies, which can afford to look after themselves, were more interested in the long-term exercise of changing the overall industrial relations climate.

"On the other hand small companies are interested for the immediate financial protection,

He also denied suggestions published earlier this week in the Lloyd's Bank Review that the insurance scheme could lead to longer and more frequent disputes. Experiences of other insurance schemes in the shipping industry and in the U.S. did not support this view.

Recent changes made to the details of the scheme mean that companies will be able to choose how many of their individual establishments they insure. They will be covered for between 50 and 75 per cent of the costs of overheads during a strike.

Companies will be free to fix their own estimates of these costs and to choose what proportion to insure, between 50 and 75 per cent.

● The CBI yesterday also decided to tell the Government that the new Engineering Authority proposed in the recent Finniston Report should be set up by Royal Warrant independent of Government departments.

This view was pushed through by individual members of the CBI's council. They did not agree with the CBI staff's initial acceptance of the Finniston Report's proposal that the Authority should be linked to Whitehall.

Joseph not to intervene in robots' introduction

BY DAVID FISHLOCK, SCIENCE EDITOR

ALLEGATIONS THAT British industry is neglecting the potential of robots to improve productivity and product quality, made by Government scientific advisers, have been confirmed by the Government.

But Sir Keith Joseph, Secretary for Industry, has refused to intervene: there will be no large-scale collaboration with industry to introduce robots on a wide scale.

Sir Keith, in a letter to Dr. Alfred Spinks, chairman of the Advisory Council for Applied Research and Development (ACARD) set out the Government's role.

It is to provide an economic framework and climate which will stimulate enterprise and efficiency and reward success, and we have begun to create the necessary conditions."

Sir Keith said he supported the emphasis of ACARD's report, on robots, last November. This stressed the importance of industry adopting the latest technology in its efforts to compete.

But Sir Keith could not "fully accept the views in the report about the extent to wihch the necessary improvements could be achieved by new Government initiatives directed at selected parts of industry."

He added, however, that there were already a number of ways in which "help from the taxpayer for individual projects is made available."

Among ACARD's recommendations were national centres to demonstrate robot technology, and Government aid to establish a robotics industry in Britain.

Another report on robots, commisisoned by the Department of Industry from Ingersoll Consultants, draws attention, as did the ACARD report, to the much lower penetartion of robots into UK manufacturing than into the industries of Britain's main competitors overseas.

The consultants also stressed that application is more crucial than indigenous manufacture.

Sir Keith said there was evidence of growing interest in the manufacture of robots, and cited GEC's recent purchase of Hall Automation, and Fairey's plans to build Italian robots.

The Science Research Council would be supporting a substantial programme of research into "robotics and other aspects of computing and computer application," he said.

Sir Keith concluded: "An important consideration in encouraging the introduction of new technology is that managers should consult and obtain the co-operation of unions and workers.

"The Government welcomes the TUC's recognition that rapid adoption of technical change is essential if the UK is to compete successfully in world trade."

"Joining and Assembly: the impact of robots and automation." HMSO, £1.75.

Welsh want separate steel body

BY ROBIN REEVES, WELSH CORRESPONDENT

PLAID CYMRU yesterday called for the British Steel Corporation's retrenchment programme to be suspended, pending substantial restructuring to include the setting up of an independent Welsh Steel Corporation.

In a memorandum to Sir Keith Joseph, the Industry Secretary, Plaid Cymru says the Welsh steel industry should be put under its own management and be free to pursue its own marketing policies in competition with State and private-sector steel enterprises.

Mr. Dafydo Wigley, MP, told a Cardiff Press conference that Sir Keith had confirmed BSC would be pursuing a policy of decentralisation. Decisions about future employment levels should be left to the new management of a Welsh steel corporation.

BSC plans to axe a further 13,000 jobs in the Welsh steel industry this year and halve production at Port Talbot and Llanwern steel plants. A large proportion of BSC's sheet steel orders will be switched to its Ravenscraig works in Scotland.

Above average wage increases for managers

Increased salaries for professional industrial managers outstripped the average increase in overall national earnings by almost a third last year, according to a survey for the Institution of Industrial Managers. It shows that the average salaries of its members increased by 20 per cent last year, against a national average of 15½ per cent.

The proportion of members earning salaries above £6,000 rose from 57 per cent to 94 per cent, and the proportion of associate members and students in the same bracket rose from 16 per cent to 66 per cent.

Mr. Christopher Benson, general secretary of the institution, said he found it gratifying that industrial managers were gaining increased recognition as the key people responsible for the creation of the nation's new wealth.

Rules on human drug testing to be eased

BY SUE CAMERON, CHEMICALS CORRESPONDENT

THE GOVERNMENT is to make it easier for pharmaceutical companies to test new drugs on human beings, Mr. Patrick Jenkin, the Social Services Secretary, said last night.

Mr. Jenkin said present regulations on clinical trials—on people as opposed to animals—were "unecessarily rigorous and inflexible." The UK's regulations were out of line with those of practically all other developed countries.

As a result, there was a risk of early development work on new drugs being carried out abroad instead of in Britain. This would be "to the detriment of the UK pharmaceutical industry."

Mr. Jenkin said he would introduce a scheme under which drug companies could apply for exemption from requirement to obtain a clinical trial certificate.

Mr. Jenkin, speaking at the 50ht anniversary dinner of the Association of the British Pharmaceutical Industry in London, said exemptions should be granted "unless the doctors in my Department and my other advisers have reason to suspect that a trial would present an unacceptable hazard."

● Large, rich drug companies might find themselves being wrongly sued under proposed European product liability rules simply because of their supposed ability to pay compensation, Mr. David Smart, president of the association at theat — of the association said at the dinner.

The danger of a big pharmaceutical group being unfalrly sued might arise if several companies produced the same drug. If the drug was found to be defective in a particular case, there would be no way of knowing which company was responsible.

Senior council men suspended

TWO SENIOR council officers at Sutton-in Ashfield, Nottinghamshire, have been suspended on half pay pending the outcome of an official inquiry into allegations that they ran a consultant architect's firm across the border in Derbyshire without their employer's permission.

A committee of inquiry set up by Ashfield District Council has agreed that the two men, Mr Michael Hessey, the assistant building director, and Mr Alan Purdy, the chief assistant architect, did operate a consultants' partnership in Alfreton, Derbyshire.

Securicor sued by bank

BY OUR LAW COURTS CORRESPONDENT

A CLAIM for £265,000 was made against Securicor Mobile by Williams and Glyn's Bank in the High Court yesterday.

The money was the unrecovered part of a robbery from the Birchin Lane premises of the bank in September 1977.

Williams and Glyn's alleged that Securicor was liable to pay under an indemnity clause in a 1972 contract under which th ecompany agreed to carry money from the Bank of England to Williams and Glyn's.

Mr. Adrian Hamilton, QC for Williams and Glyn's, told Mr. Justice Parker in the Commercial Court on September 27, 1977 Securicor collected 50 bags containing £1.09m for delivery to Birchin Lane.

While the bags were being unloaded from the Securicor van and put into a money cage just inside the bank, a gang of armed robbers struck.

National Gallery bid fails

SALEROOM

BY ANTONY THORNCROFT

A PAINTING of the Resurrection by the mid-15th century artist Dieric Bouts, who worked in the Netherlands, sold for £1.7m plus 11.5 per cent in buyer'spremium and VAT, at Sotheby's yesterday. It was the highest price ever paid for any object at Sotheby's and is exceeded in the auction rooms only by the £2.3m at Christie's in 1970 for a portrait by Velazquez.

The buyer was the actress Jennifer Jones, on behalf of the Norton Simon Museum in California. Miss Jones is married to Norton Simon. The under-bidder was the National Gallery, which already possesses The Entombment of Christ by Bouts which is regarded as the matching side panel of an altar piece. The centre panel is believed to be a Crucifixion no in the Brussels Museum.

The price was well above Sotheby's conservative pre-sale forecast of £200,000, and is accounted for by the fact that paintings by Bouts rarely appear on the market. It was discovered by Derek Johns, head of Sotheby's Old Master paintings department, on the Continent.

The fact that it has a good provenance and matches the National Gallery panel added to its appeal.

The previous auction for a Bouts was a modest £16,000 at Sotheby's seven years ago, and the previous best for a painting Sotheby's was $2.5m for Icebergs by the 19th-century American artist Frederic Church in New York last year.

The sales of Old Masters totalled £3,136,150. Another good price was £100,000 by a Zürich dealer for "A Winter Scene,55 1652, by Nicolaes Berchem.

He also acquired "A Southern Landscape" by Berchem for £50,000. An interior of the church of St. Cunera at Rhenen went for £52,000, and "Women Marketing" by Jan Weenix for £48,000.

Leggatt, bidding on behalf of the Scottish National Portrait Gallery, bought a portrait of the Earl of Arundel, 1565, by Steven der Moulen, for £6,200, and one of a man, catalogued S. Luttichuys, for £2,400.

A collection of 69 documents, letters and notes relating to one of the most interesting figures of the 18th century, the Chevalier d'Eon, who although of ambiguous sex managed a successful career as soldier and diplomat before being forced by Louis XV to declare himself a woman, sold for £13,000 at Christie's yesterday. After his death in 1810 his sex was found to be male.

Fletcher, the London dealer, paid £10,500 for a collection of the autograph drafts of 13 novels, 44 stories, and some lectures by L. P. Hartley, while Quaritch acquired 53 letters by Robert Fitzroy, Captain of the Beagle, for £7,000. The Theatre Museum at the Victoria and Albert bought a Beerbohm Tree collection for £4,000.

OVERSEAS BORROWING

BY DAVID MARSH

Foreign debts yield profit

BRITISH corporate treasurers, wit htoes dipped into the chopy waters of international finance, are living through a new spisode in their hazard-strewn experience of foreign borrowing.

Heavy losses have been suffered during sterling's weak spells in the last few years by companies not cautious enough to have incurred overseas debts, unmatched by corresponding assets, in rapidly appreciating foreign currencies.

However, now that the pound is riding high—thanks mainly to North Sea oil—companies are in the unusual position of being able to realis esubstantial profits on their overseas debts as a result of the slump in value of foreign currencies against sterling.

Ironically enough, the number of companies to have profited from the turn-round is probably fairly small. This is because many finance directors, their fingers burned by previous incursions abroad, took advantage of the abolition of exchange controls last year to make early repayment of burdensome foreign currency loans.

Many did so to cut their losses. But they were in fact, unwittingly paying too high a penalty. With the benefit of hindsight, it can now be seen that companies which had held on to their foreign currency liabilities in the last six months would have made considerable currency savings.

The accompanying chart shows the savings that companies would have made by borrowing foreign currencies rather than raising sterling finance in the last six months—a period in which the pound has risen by almost 6 per cent on a trade weighted basis, and in which sterling interest rates have been well above the international average.

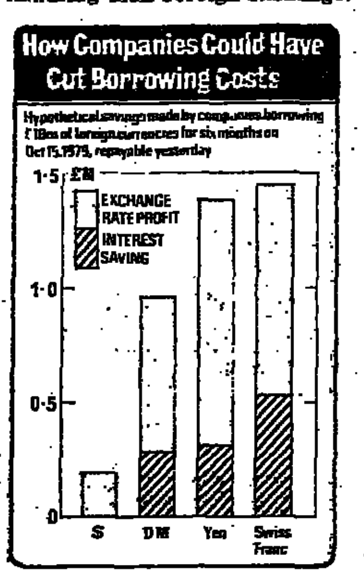
The calculations are based on the hypothetical case of a corporate treasurer borrowing £10m worth of various foreign currencies for six months at the ruling interest rates on Ocober 16, 1979, just before the abolition of exchange controls on October 29.

The considerable savings are made up of two components. The first is the interest that has been spared as a result of taking out lower-cost overseas finance. The second is a sizeable exchange rate profit that has accrued from the diminishing value of the foreign currency liability.

Because of the strength of sterling, a corporate treasurer needed correspondingly fewer pounds to pay off his hypothetical £10m debt on its repayment date yesterday (April 15, 1980) than had he made the same repayment six months ago.

The amounts saved by raising funds in Deutsche Marks, Swiss francs, and yen instead of sterling amount to 10 per cent and more of the t otal borrowed amount. Companies which borrowed dollars would have saved much less on account of the high cost of dollar loans and the currency's relative firmness.

Some large companies of the size and international expertise of ICI, for example, have adapted their foreign exchange management procedures since the abolition of exchange controls to take advantage of sterling's firmness. Since the sweeping away of controls, sophisticated corporate treasurers can use much greater flexibility in handling their foreign exchange.



They switch their portfolio of overseas borrowings on a daily basis to maximise the benefit of short-term fluctuations in interest rates and currencies.

Such companies are, however, probably in the minority. Certainly it would have required extraordinary prescience for the head of a company's finance department to have borrowed hard currencies six months ago banking on a rise in the value of sterling.

Especially after the abolition of exchange controls, it appeared a safe bet that sterling would decline from a level that already appeared over-valued. This helped spur the decision to repay overseas loans.

Instead, largely as a result of climbing world oil prices and their effect on North Sea oil revenues, the pound has been under strong upward pressure for much of the last six months.

One company that took advantage of the relaxation of controls to repay foreign debt was Tarmac, which borrowed sterling in the latter half of last year to refinance part of its overseas currency borrowings—something that was forbidden under previous regulations.

Mr. Keith Harirs, the company's assistant group treasurer, says Tarmac was pleased to correct the imbalance between the foreign currency contest of its borrowings and its earnings. "But we hedged our bets by not repaying all the borrowings, and can take solace from the better rates that are prevailing now."

P. and O. too, was "delighted" to reduce its foreign loans exposure, which was concentrated in dollars, according to Mr. Oliver Brooks, its managing and finance director.

"With hindsight, if we had decided to hang on, we might have made a small profit (from the exchange rate movements). But we don't regret having made the right strategic decision."

Welsh factory sell-off

THE WELSH Development Agency has appointed Healey and Baker as property consultants to advise on the sale of selected factories in its large industrial property porfolio.

The move is in line with the Government's wish to involve private sector finance in activities of the agency, the Welsh equivalent of the National Enterprise Board. Funds released from the sale will be used to finance further development work.

The agency's stock of industrial premises amounts to more tha n18m square feet and is valued at about £100m.

Healey and Baker, whose appointment is for two years, will advise the agency on ways of financing future industrial development. It will also tors to fund industrial property development in Wales, and assist in the formulation of estate management policy.

According to the agency, the appointment of consultants will relieve it of the need to recruit staff and allow its commercial deparment to devote more time to the location, commissioning, letting and management of industrial property.

The Government wants the agency to use the bulk of specially allocated funds to help offset the major jobs losses in the Welsh steel industry.

Print dispute may spread to national newspapers

BY PAULINE CLARK, LABOUR STAFF

MR. JOE WADE, general secretary of the National Graphical Association, warned yesterday that if print employers decide today on a lock out of printers taking industrial action, the print craftsmen's pay dispute could be extended to national newspapers.

Mr. Wade's statement is the latest development in what has amounted to a battle of nerves between the union and employers in the provincial newspaper and general print industry since national action in support of an £80 minimum-earnings claim began two weeks ago.

Employers representatives in the Newspaper Society and the Britishing Printing Industries Federation meet today to discuss ways of toughening their resistance to the NGA.

One of the measures discussed at an employers meeting last week was the possibility of suspending without pay members of the union who have been taking selective disruptive action.

Mr. Wade warned that action could be stepped up from the present campaign which mainly involves prolonged mandatory chapel (union branch) meetings where employers have refused to agree to a local interim pay deal meeting the union's demands.

Earlier this week, action led for the first time to suspension of publication by a major newspaper owner—Bristol United Press.

The Newspaper Society said that the number of reports of incidents of industrial action affecting its members all over the country amounted so far to 180.

The NGA has rejected a national pay offer of £75 a week minimum earnings.

Mr. Wade said: "Industrial action taken by my union has been carefully planned to ensure that it does not lead to permanent closures. But this decision by the BPIF and the NS will inevitably lead to the shutdown of a number of BPIF firms, including at least one large group."

In addition, he said, every provincial daily newspaper will close for the period of the dispute, even though most, if not all of them are already paying more than the NGA is claiming and working 37½ hours or less.

Mr. Wade said: "The only conclusion that I can reach from this piece of lunacy is that employers are determined to teach us a lesson and destroy our branches' and chapels' bargaining powers. They are going to be sadly disillusioned."

Phone bill strike averted

BY PHILIP BASSETT, LABOUR STAFF

POST OFFICE computer staff are unlikely to take industrial action which would delay the issue of telephone bills now that their union leaders have agreed to continue negotiations on an improved pay offer.

The Post Office group executive of the Society of Civil and Public Servants had threatened to strike over a differentials dispute with engineering supervisors, but last night it said the plan would certainly be postponed and probably avoided.

This follows a commitment by the Post Office that a negotiated settlement will be reached on the dispute, which was brought about by an arbitration award of between 21 and 26 per cent to the supervisors, by the end of this month.

The union had claimed that a 5¼ per cent payment promised to its members from April 1 had been distorted by the supervisors' award, and that the amount should now be about 13 per cent.

The Post Office is understood to have raised its offer to about 7 per cent, and to have given a firm commitment to the union that its position will in future be improved against other unions on the telecommunications pay "spine" which the corporation ist rying to bring in to restructure pay grades.

Hopes of achieving the major restructuring involved in the concept of the pay spine for the telecommunications busi ness have been improved by a two-part arbitration award to traffic supervisors in the telecommunications business, who are members of the Society of Post Office Executives.

This award brings to an end the final important separate telecommunications productivity schemes. One object of introducing the pay spine was to regulate pay levels by abolishing productivity schemes.

Traffic supervisors receive a 6.93 per cent increase from January 1 last year on the understanding that the separate productivity scheme should cease from March 31 last year.

The second part of the award gives increases in line with the pay spine rises agreed last year for most other telecommunications grades. This gave 16 per cent from July 1, plus 2¼ per cent for moving the pay settlement date by three months.

The tribunal awarded a further 5¼ per cent from April 1 this year in return for giving up a productivity scheme, but supervisors will not receive a further bonus of 2 per cent awarded to other grades.

A senior traffic supervisor's salary is increased to £8,638 from July 1 last year and to £9,095 from April 1. A telecommunications traffic supervisors' pay goes up to £7,658 this month.

CPSA officials to oppose election bid

BY OUR LABOUR STAFF

FULL TIME officials of the Civil and Public Services Association will appeal to delegates at the union's annual conference next month to reject left-wing attempts to introduce a new system of election rather than appointment of officers.

The officials of the union, the largest in the Civil Service, have successfully fought previous attempts. This year, however, they are worried delegates may be swayed by the sheer number of conference motions on the issue which are down for debate.

The officials, all members of the Association of Professional, Executive, Clerical and Computer Staff, will distribute to delegates a leaflet countering what they call an "unprecedented campaign" against them this year.

It says that the alternative to the full-time expertise of permanent officials is "negotiation almost entirely by industrial action."

The association has a record of swings between left and right in successive executive elections. The officials claim that there is the major principle at stake of whether the dominant political faction at any one time should control all the union's activities.

Their leaflet states: "We are not fighting the CPSA membership. We are fighting those who want to change this great union into one in which both staff and full-time officials 'become political prisoners.'"

Many of the motions calling for the election of officers are critical of the way in which recent disputes, particularly over pay, have been handled and settled.

The left has already conceded that the election of officials, if introduced, could only be applied to new officers.

Councils face 20% demand

By Pauline Clark, Labour Staff

LOCAL authorities, whose budgets have been seriously depleted by recent pay comparability settlements, will next week receive a pay claim of at least 20 per cent for 560,000 council staff.

Following the comparability awards of 13 per cent to the same white collar group after industrial action last month, and more than 18 per cent to teachers, any settlement of that order could accelerate moves to increase rates and cut manpower.

Employers indicated last November that when the rate support grant wase settled, pay increases of only 9 per cent had been budgeted for on the assumption that the staff comparability award amounted to 10 per cent and the Clegg standing commission award for teachers to 20 per cent.

The 13 per cent settlement for local government manual workers last January had already left the employers' finances tight.

Local authorities have a turnover of labour for manual workers and white collar staff, but any suggestion of further job losses to help pay for wages would be opposed by the National and Local Government Officers' Association.

TUC view on imports 'not understood by Minister'

BY OUR LABOUR STAFF

THE Government has "fundamentally misunderstood" the TUC's position on import penetration, Mr. David Basnett, chairman of the TUC's economic committee, told the Commons' industry and trade committee inquiry into imports and exports.

Mr. Basnett criticised Mr. John Nott, Trade Secretary, for his reply to the TUC's recent letter outlining its concern at the impact of import penetratio on output and employment in some major industries.

He said Mr. Nott had suggested that the TUC's policy of advocating import penetrapolicy for general import controls.

Mr. Basnett said a ceiling would be tailor-made for the individual industry rather than an arbitrarily-imposed limit. The ceilings would be agreed by the Government, management and unions.

He attacked the Government for its "blind adherance" to the free trade and monetarism policies of Adam Smith and Professor Milton Friedman. "It is determined to make the UK an open market whatever the cost to our producers, and regardless of the behaviour of competitors," he said.

"The Government fails to recognise that we do not live in a world of free trade versus protectionism, but in a world where trade is ostensibly free but increasingly managed to some degree."

Unionism 'cheap' says Murray

By Our Labour Staff

TRADE UNION contributions were in real terms now only one-third of their pre-war levels, Mr. Len Murray, TUC general secretary, said yesterday.

At the annual conference of the National Association of Licensed House Managers in Blackpool, Mr. Murray said trade unionism came cheap in Britain. "In no other way do so many get so much for so little. Union contributions give working people the best bargain they buy when they are spending the money they earn."

He suggested that unions could do more for their members if they had a little more coming in from contributions and hinted that the cost of the services the TUC provides to unions and their members might be reviewed at the annual congress in September.

Bank's strike may spread

BY JOHN LLOYD

ACTION By bank messengers at National Westminster Bank's computer centres, which has halted cheque-clearing at NatWest, may spread to other major clearing banks today.

Technical and services staff, who are members of the Banking, Insurance and Finance Union, at NatWest's two major computer centres, have been on strike since Tuesday.

The centres are at Aldgate, in the City, and Kegworth, Leicestershire.

Members are striking in support of a £3,750 minimum-wage claim for all bank messengers. The bank said it would pay the £3,750 rate only to messengers aged more than 30.

Last night Mr. Keith Jones, assistant secretary of BIFU, asked technical and services staff in Barclays, Lloyds, Midland, Barclays Bank International, Standard Chartered and Williams and Glyn's to strike in support of NatWest colleagues.

At the same time, NatWest's staff association instructed its members to continue to cross BIFU picket lines. They have been crossing the lines during the past two days.

Mr. Jones said NatWest had not indicated it would consider reopening discussions on raising the minimum paid to messengers under 30.

The bank said last night that the door remained open for further discussions but it had no fresh proposals.

UK NEWS—PARLIAMENT and POLITICS

Opposition attacks on industry

BY IVOR OWEN

WHILE REJECTING Opposition attacks on the Government's economic policy in the Lords last night, Earl Ferrers, acting Leader of the House, admitted that industry will have to endure unpleasant side effects before full recovery is achieved.

He told peers: "There comes a time after the administration of a cure that the patient is in the position of having both the fever and the cure and suffers from both.

"That is the situation in which we find ourselves at the moment."

There were cries of dissent from the Labour benches when Lord Ferrers claimed that the Government's refusal to become involved was the "only gleam of light" to emerge from the recent prolonged steel strike.

In condemning the Government's attitude, Lord Lee of Newton, a former Labour Cabinet Minister, quoted Press comment asking whether there had been any winners in the steel strike.

"A few more Government successes like that and the patient will stop breathing," he scoffed.

Lord Peart, Labour Leader in the Lords, launched the Opposition attack by moving a motion charging the Government with having adopted policies which had increased inflation, unemployment and continued Britain's industrial decline.

He decribed Sir Keith Joheph, the Industry Secretary, as "a menane to the progress of industry in this country."

Analysing what he termed the "toll of disaster" resulting from the steel strike, Lord Ferrers maintained that Britain's overseas competitors were the only beneficiaries.

The strike had cost the British Steel Corporation £310m and the effects on future orders might be even more serious.

Hitting back at Labour peers who criticised the Government's refusal to intervene, Lord Ferrers contended that there had been too many occasions in the past when demands that Ministers should find a solution by waving some kind of magic wand had been acceded to amid a glare of publicity in Downing Street.

"This Government intends to leave responsibility in the hands of those responsible," he declared. "It is the job of management and employees to negotiate a proper settlement."

Lady S—r, Liberal spokesman on economic affairs, seized on Lord Ferrers' admission that industry was now suffering from the Government's "cure" in expressing qualified support for the Labour motion.

She condemned the Government's over-reliance on control of the money supply in its attempt to defeat inflation and the very high interest rates which had been inroduced as a result.

The Liberals favoured a multi-pronged approach, and believed that the Government's assumption that control of the money supply would indirectly lead to control of the level of wage settlements was a fallacy.

Lady S—r argued that it was a mistake to rely on market forces to control pay bargaining because the trade unions were able to wield a monopoly power. She also contended that the level of pay settlements was unlikely to be affected by rising unemployment.

"The fact of the matter is that when trade unions negotiate pay claims they are negotiating on behalf of those people in work and not on behalf of those people not in work."

Lady S—r warned that ther ewas a grave danger that continued over-reliance on control of the money supply combined with high value of sterling would leave behind an industrial desert

Lawson denial on EEC Budget

By Philip Rawstorne

MR. NIGEL LAWSON, Financial Secretary to the Treasury, yesterday denied he had misled the Commons last month by presenting an EEC Commission document as an "important step forward" towards a solution of Britain's budget contribution.

Facing critical questioning by the Commons Select Committee on European legislation, Mr. Lawson said the document showed that possible additional EEC expenditure programmes in Britain would meet Community criteria.

"This seems to me to be of considerable significance," he said. "The Commission have pronounced themselves satisfied that the problem can be solved in a manner consistent with Community policies."

Mr. Lawson told the Committee: "I made it clear that this was a satisfactory basis for a solution given the political will ... that it what really matters, the political will to meet a satisfactory future."

But members of the Committee took a sceptical view of Mr. Lawson's interpretation.

Mr. Ron Leighton (Lab., Newham North East) quoting the Financial Times report of last month's debate as an "impartial and accurate source," suggested that Mr. Lawson had given the Commons a "misleading impression."

Mr. Lawson retorted: "I totally repudiate that."

Asked why the EEC Commission had been "astonished" by his claims, Mr. Lawson suggested that other newspaper reports had been exaggerated.

Mr. Tam Dalyell (Lab., West Lothian) said that the Commons had been surprised by Mr. Lawson's statement.

"I do not think you should blame the journalists."

And Mr. Leighton added: "Perhaps you made your presentation in an inadvisable way."

Mr. Lawson insisted that he had given an accurate impression.

...Mr. Julius Silverman, the committee chairman, pointed out that the document proposed a "one-off temporary arrangement" for increasing Britain's receipts from the EEC.

Mr. Nigel Spearing (Lab., Newham South) said the document referred to a possible £330m benefit to Britain from changes in the financial mechanism.

"The EEC would need to provide £500m at least through increased receipts to give a satisfactory compromise."

Rising unemployment and falling output predicted

THE UK economy faces sharply falling output and rapidly rising unemployment over the next few years as a result of the "Government's abdication from management of the economy," the Cambridge Economic Policy Group argues in its annual Economic Policy Review published today.

The Group, a dozen Cambridge University economists headed by Mr. Wynne Godley and also known as the New Cambridge school, strongly attacks current policies and instead advocates a package combining devaluation with tariffs on imports in order to secure an economic recovery.

The review maintains that Government decisions are based on "monetarist generalisations rather than any worked-out plan."

"Far from providing a coherent framework within which economic strategy can be assessed, the Government has proposed money supply targets and projections of public sector borrowing incoherently related to one another and completely unrelated to any of the objectives of economic policy.

The Group asserts that the "presumption must be that Gross Domestic Product, so far from rising after this year, would continue its absolute decline. The tax base would contract, public expenditure would be forced up and instead of there being omney for tax cuts, the Government would have to raise taxes, charges and nationalised industry prices, round after round."

It is argued that the Government's most serious mistake has been "to ignore the devastating implications of a rising sterling exchange rate, accompanied by domestic inflation in excess of that in competitor countries, for Britain's already weak trading position." Other mistakes were "to imagine that the Government would be able to afford significant tax cuts and thereby stimulate better business performance" and "to assume that control of the money supply would necessarily bring down the rate of inflation."

The result will be to create "a recession without parallel since the 1930s." It "seems inevitable" that the programme will have to be abandoned.

The Group has prepared a base projection on the basis of a broadly continuation of the current mix of policies. This could lead to a decline in Gross Domestic Product of 8 per cent between 1979 and 1981—twice as large as the biggest previous tow-year drop since the war—with unemployment rising to over 2¾m before the end of next year. Output would continue to decline thereafter though consumer spending would rise and the inflation rate would decline into single figures; by 1985 unemployment would be up to 4.4m.

This prospect is contrasted with the alternatives of a sharp devaluation and this course coupled with imposition of general import tariffs.

The devaluation strategy would be on the basis of a large (over 20 per cent) fall in the exchange rate at the end of this year occompanied by a very tough incomes policy cutting wage settlements in real terms by 11½ per cent, that is back to their 1977 level.

This would mean that by 1983 the fall in Gross Domestic Product caused by present policies could more or less have ben recovered. The public sector borrowing requirement would look very large (£15bn to £20bn at current prices), though this could be seen as a virtue and as the counterpart of a deliberately stimulated recovery of activity.

Peter Riddell, Economics Correspondent, looks at the Cambridge Economic Policy Review

The immediate problems would be that the recovery would come too late to prevent unemployment from rising to a level in excess of 2¾m, that the severe incomes policy on which the strategy rested would after a time break down, and that sterling might still look unsafe, having fallen so far. Since further effective devaluation would be out of the question, at least for several years, the old problem of slow growth would soon reassert itself.

Consequently, the Group advocates instead a package combining tariffs and devaluation. The suggested tariff rates are 20 per cent for semi-manufactures, 30 per cent for finished manufacturers, 15 per cent for services and zero for food, oil and raw materials, imposed from the start of 1981. There would be a 25 per cent devaluation of the pound to help exports.

The Group also assumes that Britain would have to leave the EEC and that total UK exports would be reduced by 5 per cent because of consequent losses of preference.

The tariffs would yield a revenue to the the Government of about £11bn at today's prices which could be used to cut the cost of living and to fund investment.

It should be possible to restore 1979 levels of spending and output by the end of 1981, with unemployment of 2.1m then, and to maintain a rate of economic growth averaging 3 to 4 per cent annually for two or three years threafter.

The course of inflation would be uneven partly depending on the operations and effectiveness of incomes policy. The Group proects a decline in the rate of consumer price inflation to 6.6 per cent by 1983 before a re-acceleration to over 20 per cent by 1985.

In the long run it would probably be necessary to increase the tariff rates or to devalue further in oredr to keep growth going, particularly because North Sea oil and gas production will soon pass their peak levels.

The review also discusses whether such wide-ranging tariffs would be legal. The Group argues that the UK will have a strong case under article 12 of the Genearl Agreement on Tariffs and Trade provided that the tariffs are non-discriminatory between countries.

The UK should say that the purpose of tariffs "will be to permit internal recovery, not to cut imports by more than would otherwise have happened through internal deflation."

The latest review also contains a discussion of Britain's relations with EEC. The group says thta arguments about the UK's net contribution to the EEC Budget ignore "far more important questions about our relationship with Europe, in particular the problem of Britain's long-standing relative economic decline and de-industrialisation."

The Group estimates that Britain has lost far more on trade in manufactured goods than on Budget contributions and that its performance has been below average in services. The main trade gains by the UK have been on food and (due to the North Sea) on fuels.

Cambridge Economic Policy Review. April 1980, volume six, number one, from Gower Publishing Company, 1 Westmead, Farnborough, Hampshire, GU14 7RU. Price £6.50 including postage and packing. Two further issues, dcaling with regional and international questions, will be published later this year.

CAMBRIDGE ECONOMIC POLICY GROUP

		Consumer spending (£bn at 1975 prices)	Gross Domestic Product	Consumer Prices (percentage increase over previous year)	Export competitiveness (1975=100)	Unemployment (millions)
1979		69.4	113.9	11.9	109.9	1.3
1980		66.8	107.0	19.1	122.6	1.9
1981	Base (1)	67.0	103.2	12.6	129.0	2.6
	Dev. (2)	64.2	104.9	17.8	105.1	2.5
	Tar. (3)	69.3	111.7	9.8	105.1	2.1
1983	Base	70.4	101.6	9.8	139.0	3.6
	Dev.	67.1	111.2	11.8	105.1	2.9
	Tar.	76.3	126.4	6.6	105.1	1.9
1985	Base	74.5	100.6	7.9	145.1	4.4
	Dev.	69.0	110.1	22.0	105.1	3.6
	Tar.	79.5	134.5	20.4	100	1.8

1) Base Projection—assumes real cut in public spending of 9 per cent between 1979 and 1982, and constant expenditure thereafter, as well as rise in real burden of taxation. Nominal exchange rate constant at February 1980 level.

2) Devaluation in 1981 to secure 14 per cent improvement in real export competitiveness and thereafter depreciation to offset domestic inflation compared with competitor countries. Two-year incomes policy in 1981-82.

3) Tariffs and devaluation in 1981. Tariffs imposed on imports at the same time as 1981 devaluation. Initial tariff rates of 15 per cent on services, 20 per cent on semi-finished manufactured goods, and 30 per cent on finished manufactured goods—rising progressively to levels of 36, 48 and 72 per cent respectively by 1990. Also two-years incomes policy and further real devaluation of 5 per cent in 1985.

Source: Cambridge Economic Policy Review.

Right and Left close ranks on conference

By Elinor Goodman, Lobby Staff

BOTH SIDES of the Labour Party closed ranks yesterday in an attempt to prevent the Conference which is supposed to co-ordinate Labour's fight against the Tories developing into another in-fight between Left and Right.

At a meeting of the special committee set up to draw up a policy statement to be put to the one-day conference next month, both Mr. James Callaghan, the party leader, and Left-wingers like Mr. Anthony Wedgwood Benn and Mr. Eric Heffer agreed that everything must be done to find a form of words which would be acceptable to all elements

Despite this general wish to avoid clashes, there were some disagreements over such key issues as defence and industrial policy. But both sides seemed to hope that these could be smoothed over by careful drafting when the committee meets again tomorrow to finalise the document. The statement will then be put to the party's national executive.

The Left has a clear majority on the drafting committee—as it does on the party's executive—and Mr. Callaghan must have known that he would be outvoted if he tried to assert his views.

Labour anticipates large gains in local elections

LABOUR FRONT bencher Mr. Roy Hattersley today predicted the party would make substantial gains in next month's local elections in England and Scotland.

Forecasting that Labour would sweep the Tories from control in many authorities, the Environment Spokesman said the election gave voters the chance to show their condemnation of the Government and its policies on local councils.

"That policy can be summed up in four words—pay more, get less," he said.

Since Mrs. Thatcher became Prime Minister, local government by-election results had seen Labour win 39 seats, hold 52 and lose none, said Mr. Hattersley.

On the basis of this, Labour anticipated taking control in Scotland of Glasgow, Aberdeen, Edinburgh, Kirkcaldy, West Lothian, Dunbarton, Strathkelvin, Cumbernauld, Renfrew, Inverclyde, Kilmarnock and possibly Dundee.

In English metropolitan districts, Labour expected to take control of Birmingham, Kirklees, Dudley, Bradford, Oldham, Rochdale, Bolton, Leeds, Walsall and Liverpool.

And in the English non-metropolitan districts, they expected victory in Cambridge, Chorley, Hartlepool, Amber Valley, Basildon, Blackburn, Crewe, Oxford, Swale, Thurrock, Worcester, and possibly Great Yarmouth.

HATTERSLEY: confident

Mr. Hattersley said Labour would fight on the national slogan: "Stop the Tory vandals—vote Labour."

The Shadow Minister said: "As Tory cuts bite deeper into social services, housing and education, as inflation rockets and mortgages, council rates and rents reach record levels, the party is confident that the Tory vandlas will be stopped in more than 30 local authorities."

He believed the message had "now got abroad that Conservative central Government policies, aided and abetted by Conservative councils have been resulting in damage and destruction to essential services which ratepayers and voters want to preserve.

"The evidence suggests that the argument against public spending cuts is very much swinging our way."

Mr. Hattersley said Labour had established in the minds of voters that when rates went up it was the result of the Government's policies and not because of waste and extravagance by Labour councils.

The Clegg recommendations on teachers pay had put town halls "in an intolerable position" with the Government imposing obligations which Ministers were not prepared to take on.

He accused the Government of seeking to allow local authorities to make a profit out of council housing which would then be used "to subsidise owner occupiers and other rate payers."

Mr. Frank Allaun, MP for Salford East, and a member of Labour's NEC local government committee said: "If people realise what is in store for them in the next 12 months, there will be a veritable rout of Tory councillors just a year but two days after the general election."

Motion to guillotine Housing Bill

THE GOVERNMENT confirmed yesterday that it is to speed through Parliament its controversial Bill to allow the sale of council houses.

Introducing a motion to guillotine further debate on the measure, Mr. Michael Hseltine, Environment Secretary, said the Housing Bill, a major plank of the Government's election manifesto, would have to complete its progress through both Houses by the summer recess to become law in the autumn.

The Housing Bill had been before a standing committee of the Commons for more than 10 weeks and MPs had already spent 110 hours examining it in detail, he said.

The timetable motion would bring the Bill back to the Commons from the committee by May 1.

Many people were anxious that proposals should come into force as soon as possible, Mr. Heseltine said.

"This bill is not just about the right to buy council houses," he said. "It is important because it gives new rights to those who remain council tenants, also to revive the private rented sector."

Trade union attitudes harden on strikers' benefits issue

BY RICHARD EVANS AND JOHN LLOYD

TRADE UNION leaders yesterday hardened their opposition to the Government's Employment Bill when the TUC's Employment Policy and Organisation Committee proposed that unions should be advised not to increase strike pay to compensate for the loss of benefits paid to strikers.

Members of the committee, which includes leaders from both the Left and Right, agreed that this might make strikes more bitter, but believe that the Government must face the implications of its approach.

However, Conservative backbench pressure to toughen the Bill still further by making strike ballots compulsory has not won the support of the Prime Minister, who has given her support to Mr. James Prior, the Employment Secretary, in his rejection of the demands.

The move is unlikely to soften the attitude of the trade unions, whose opposition to the Bill has now become total. Left-wing members of the committee said last night that the loss of benefits to strikers meant that their members would be treated "worse than criminals."

The Committee has proposed to the General Council that all unions be advised not to raise the level of strike pay once the Bill becomes law. The feeling expressed by many members was that if strike pay was raised, the Government would take further advantage of the unions.

It also considered a more detailed account of how the Government proposed to finance ballots, and has hardened its opposition to using them. Members felt that the Government would use the opportunity to oversee their balloting arrangements, rather than merely pay for them.

Much of the meeting was concerned with discussion on a paper prepared for the committee on an amendment to the Bill introduced earlier this month which would limit secondary industrial action.

The paper described the amendment as "far reaching and dangerous," and foresees that it might face unions with large damages ordered by the court, and that it could be used "to attack the legality of some kinds of primary action."

The Committee endorsed the paper, with members commenting that industrial action tended to be fluid and emotional, and that over-rigid limitations would result in a plethora of legal actions and bitterness.

One moderate general secretary commented after the meeting: "If we had known at the beginning what we know now, we wouldn't have bothered talking to the Government at all."

The pressure for compulsory strike ballots, which is likely to lead to a Tory rebellion, will come to a head early next week during the Report Stage of the Employment Bill. This starts in the Commons today with a debate on the Government's tougher proposals for outlawing secondary blacking.

Most pressure on Mr. Prior will come from a new clause tabled by Mr. John Browne (C., Winchester) and supported by over 100 backbenchers. This would compel trade unions to hold a strike ballot should 15 per cent of the workers or up to 5,000 members demand it.

Many supporters of the new clause have been confident that they could force Mr. Prior to adopt their proposals, but the indications last night were that Mrs. Thatcher and a majority of the Cabinet still believe that any ballot should be voluntary rather than statutory.

They remember the precedent of the 1971 Industrial Relations Act and the union outrage caused by compulsion.

Another formula, disclosed in a new clause tabled last night by Mr. Michael Colvin (C. Bristol NW) would compel a trade union to hold a secret ballot, but it places no compusion on the union to take any action following the result of the ballot.

Mr. Colvin said yesterday that his new clause would permit rank and file trade unionists to take the initiative in making their views known but it would not impose the views expressed through the ballot on the trade union decision-making bodies, nor would it conflict with their constitutional arrangements.

Pressure to increase child benefit

By Elinor Goodman, Lobby Staff

PRESSURE IS building up on the Government to commit itself to inflation proofing child benefit in future. Unless Ministers are prepared to give a fairly firm indication, by next Wednesday, of their willingness to increase child benefit in line with personal tax allowances in future, they could face an embarrassin revolt among some of their own back-benchers.

Even with that assurance, a handful of Tories may use a vote on a Private Member's Bill on social security next week to express their dissatisfaction with the 75p a week increase in child benefit announced in the Budget.

But the signs are that attempts by the Conservative Whips to persuade some of the so-called "wets" of the futility of making half-hearted protest gestures is beginning to pay off. Some of the 30 or so Tory MPs who were involved in the child benefit lobby before the Budget would much prefer it if the Chancellor would come up with some commitment about the future rate of child benefit which they could claim was a victory for their campaign.

The House will almost certainly have an opportunity to vote on the whole question of child benefit next Wednesday.

Easing the burden on the NCB

THE GOVERNMENT will publish its plans for easing the financial burden on the National Coal Board tomorrow. Publication of the Coal Bill has been delayed this year partly because the Government did not want to be seen to be helping one nationalised industry over its financial problems at a time when it was insisting that it could not ease up on the steel industry's cash limits.

The Bill will get its second reading in two weeks time and will be on the statute book by the summer. It is unlikely to meet much opposition from Labour.

The Bill will reileve the board of heavy interest payments

Barlow decision 'regretted'

BY JOHN LLOYD

SIR KEITH JOSEPH, the Industry Secretary, told the House of Commons yesterday that he "greatly regretted" the decision by Sir William Barlow, the chairman of the Post Office, to resign later this year.

Sir Keith said that Sir William knew that he wished him to take over as chairman of British Telecomunications when legislation to split the Post Office into two autonomous corporations passes through the Commons towards the end of 1980.

Sir William had indicated to Sir Keith that he wanted to laeve the Post Office, to return to private industry, before Easter. Sir William had been chairman of Ransome Hoffman Pollard, the ball bearing group, before his appointment to the Post Office in November, 1977.

The Industry Secretary said that he "respected and admired" Sir William's record at the corporation. "His departure will be a loss to the public sector," he said.

In a separate statement, Sir William denied reports that there had been a row between himself and Ministers over postal or telecommunications prices.

"I cannot repeat too strongly that there has been no specific incidents leading to my decision, which was carefully considered over a period of time.

"It is simply that having completed planning work for the separation of the postal and telecommunications businesses this summer, it is a convenient time for me to announce my return to the private sector. The Government, in fact, tried to persuade me to stay and accept the appointment as chairman of British Telecommunications.

While Sir William has stressed that there has been no one specific caus ebehind his decision to leave two years before his five-year contract period ends, it is clear that there have been large differences of opinion between the corporation and the present Government.

Sir William is known to have been annoyed by persistent sniping from Government quarters on the Post Office's performance, and to have opposed the strict limits which the Government has set on Post Office borrowing, especially for its growing telecommunications business.

At the same time, he has not enjoyed the constant publicity which tends to be the fate of the Post Office chairman, especially in periods of trouble in the postal service.

Technical Page

EDITED BY ARTHUR BENNETT AND TED SCHOETERS

● DATA PROCESSING

Written words and drawings remembered

FOUNDED TWO years ago with financial assistance from Norton Warburg Investments to exploit an invention of Dr. John Gordon of Hatfield Polytechnic, Image Data of Bristol has now come to the marketplace with its first major product — a written data input tablet in which anything handprinted or drawn on a sheet of A4 paper placed on the tablet will be remembered by the associated computer and shown on a screen.

Basis of the device is a large square printed circuit board capable of accepting A4 paper vertically or horizontally. On the surface of the board is printed a grid of 512 x 512 fine conductor lines spaced by only 0.5 mm. To write, a special pen is used which has a tiny magnetic field generator at its very tip, switched on by a microswitch as soon as the stylus touches the paper. A normal ballpoint also makes visible marks.

As the pen moves over the paper the minute field "dot" is always sensed by the nearest grid line intersection, yielding a constant flow of x-y coordinates.

By touching a control area "button" to the side of the writing area with the pen, the tablet will accept handprinted block capitals which can be written either on blank paper or on a form or some other specially formatted document. As characters are recognised they are displayed on a crt screen and stored directly in a host computer or in off-line storage.

A poorly written character makes a warning "bleep" sound, although it is claimed that the machine can recognise a very wide range of handprinting styles. However, if a relative newcomer to the tablet has difficulty with a particular character, an alpha board is provided at each side and it is only necessary to touch the character in question.

Frequently the tablet would be use where a written source document has to be raised; but if this is not the case the alpha board could be used if desired.

By touching another control "button" the tablet acts as a digitiser. Designs or drawings can be made by tracing with the pen on paper while the results appear on the screen and can be stored.

Also provided in the control area is a numeric keyboard similar to a simple calculator. Thus, when filling up forms or pre-formatted documents any incidental calculations that arise can be performed and the result will appear on the screen for insertion on the source document.

All these functions are duplicated to left and right of the screen ,for right- or left-handed people or simple locational convenience.

There are also ten user-specific keys that can be pre-programmed for particular functions, and a cursor control which is used in the graphics mode, to place annotations for example.

The company claims that this is the first tablet to operate at such a high definition on A4 size.

It also believes that a number of important data processing applications are being held back in industry and commerce because some senior people are reluctant to use a VDU on the basis that they are being turned into machine operators. A high specification tablet such as this is thought to be the answer.

Image Data Products, 1, Portland Square, Bristol BS2 8RR (0272 40248).

GEOFFREY CHARLISH

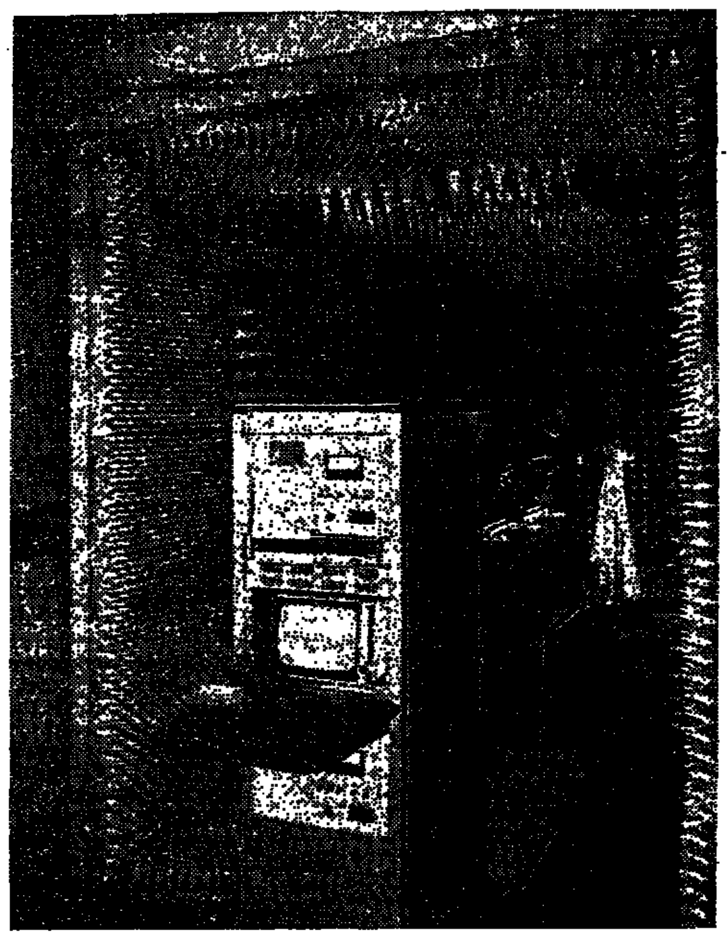
On line to Ireland

ULSTER BANK, part of the National Westminster Group, over the next three or four years will create a complete on-line data processing network linking 240 branches north and south of the border to central mainframe systems.

Burroughs is to supply the equipment which will be centred around two dual B2930 medium scale machines, one in Belfast and the other in Dublin. Peripherals include 1100 line/min printers, magnetic tape units, fixed disc and reader sorters.

Branches will be equipped with the recently announced B91 equipment functioning as a terminal working into the remote mainframes. Each will be installed with 128 kilobytes of processor memory and six megabytes of mini-disc storage.

The terminals, designed in Scotland, will with additional keyboards be used for back office work such as data collection and preparation, inquiries, and reports from the mainframe.



This anechoic chamber for calibrating power flux density monitors such as microwave leakage meters has been set up at the National Physical Laboratory, Teddington. The use of microwaves in a growing number of industrial and domestic devices has, says NPL, "provoked scientific and public concern over safe operation and tolerable exposure levels." In the UK, codes of practice drawn up by the British Standards Institution and the Health and Safety Executive recommend a maximum safe exposure level of 100 watts per square metre from 30 MHz upwards. But the need arises to be able to make reliable readings and so NPL is now to offer a service of calibration and testing of microwave power meters. This will enable manufacturers and users of microwave equipment to have their exposure monitors calibrated against reliable and internationally traceable standards

● MATERIALS

Smooths the hip joints

VITALLIUM IS a special alloy developed for its superior wear qualities and biocompatability which is only one good reason for its application in medical implants of hip joints.

The metal incorporates cobalt, chromium and molybdenum—making it extremely hard—but it is particularly difficult to machine. Howmedica International at Shannon makes hip joints and has overcome the demanding task of both rough and finish grinding of its high precision range with the use of resinoid bonded cup wheels from Universal Grinding Wheel Company, Doxey Road, Stafford (0785 3281).

The resinoid cup wheels which have proved successful for Howmedica's purpose have a medium size grit (150) and are said to give excellent metal removal, combined with high accuracy.

Prior to each grinding operation, the grinding wheel is dressed internally using a single point diamond in a Diaform pantographic dressing attachment, and the outside diameter of the wheel is also dressed to eliminate any eccentricity.

Wheel speeds vary from 17,000 rpm (for the smallest wheels) to 12,000 rpm for larger sizes, and the cycle is automatically controlled, using electronic gauging, the grinding time averaging about six minutes per unit.

Grinding wheels are dressed exactly to size for each one of the 30 or so different sizes of ball joints made by Howmedica and, following grinding, each ball joint is inspected to ensure that the total sphericity is within five microns. Finally, the ball joints are polished to a high lustre finish.

Finished products are shipped all over the world for joint replacement, primarily for sufferers of rheumatoid arthritis.

No holes in the roof

AN ALUMINIUM roofing system — Aluform FD — that eliminates the need for fixing holes and thus reduces the risk of rain water leaks has been introduced by VAW, of 161 Kingston Road, New Malden, Surrey.

Fixing holes are often the weak point of roofing systems because of their tendency to elongate during the expansion and contraction of the metal which occurs with temperature changes. It is at these points that leaks tend to occur

VAW says it has overcome the fixing problems by incorporating a patented system of clip fasteners into which the sheets are pushed whilst they are laid. The sheets interlock and are subsequently linked together with a small power tool.

The system has been designed on a 400 mm modular basis and incorporates a variety of special fixings including roof lights. The aluminium sheets can be laid in almost any length.

Study of markets for sealants

TWO REPORTS providing detailed descriptions of the mode of use of various types of sealants in the UK and West Germany and of the kinds of sealants chosen in major applications, etc., have been produced by Industrial Aids, 14 Buckingham Palace Road, London SW1 (01-828 5036).

Total current demand for all types of putties, mastics and sealants in both countries is estimated at 50-60,000 tonnes a year, but the sophisticated polymer-based sealants, such as polysulphides and silicones, are in use much more in West Germany than in the UK. West German consumption of such sealants is about 21,850 tonnes, valued at up to £67m compared with only about 7,600 tonnes, valued at £19.6m in the UK.

By contrast, consumption of the cheap linseed oil-based putties and oleoresinous mastics in about 34,000 tonnes a year in the UK, but only about 20,000 tonnes in West Germany.

The reports are called: "Depth Study of the UK Sealants Industry," and "Depth Study of the West German Sealants Industry," and cost £600 each but may be purchased together for £1,100.

● INSTRUMENTS

Gas detection unit

DIGIFLAM 850 is the latest gas detection unit from Neotronics and it has a sensing range from one to 99 per cent lower explosive limit (LEL), the results appearing on a digital display.

Audible and visual alarms can be set at any percentage level set by the user and the calibration is pre-settable for different flammable gases.

A switch gives the user the option of continuous analysis with direct and continuous LEL readings, or automatic pulse operation for multi-shift monitoring. In this mode, battery life and long term sensor stability are increased. The instruments built-in memory is updated at each sensing pulse and a reading is produced on demand. Any alarms are given at the end of each sensing pulse, or immediately if hazardous conditions occur in continuous sensing mode.

A hand aspirator with three metres of sampling tube allows extraction of samples from ducts and other confined areas.

More from the company at Parsonage Road, Takely, Bishop's Stortford, Herts CM22 6PU (0279 870182).

● HANDLING

Gets the grit away

ONE OF the nastier jobs in a coal-fired boiler installation in factories, hospitals and so on is that of removing the contents of the grit hopper as it fills up from the flue grit arrestor.

Devised by Macawber Engineering is an air-operated system that allows the grit to remain untouched by hand, in effect pumping it either to a waster hopper, extraction conveyors or even back to the boilers for re-combustion.

The grit is allowed to fall into a vessel through a dome valve connected to the underside of the arrestor hopper. After a pre-determined time the valve closes, air is introduced under pressure and the collected plug of grit is evacuated down standard mild steel pipework. The dome valve at the top of the vessel is able to cut through abrasive solids to form an effective seal.

Electronic timing operates the system at intervals from one to 35 minutes according to the installation—boilers of evaporation rates up to 30,000 lb/hour can be accommodated. The 20 cfm of air needed can be obtained from a small compressor if there is no main.

More from the company at Ogden Road, Doncaster, South Yorkshire DN2 4SQ (0302 20521).

● ENVIRONMENT

Blends with surroundings

COOLING TOWERS can now be provided in any colour to blend with surrounding buildings, says Watermiser, Tower Works, Stoneygate Road, Newmilns, Ayrshire, Scotland (0560 20762).

Made in one piece, the self-coloured shell needs no painting inside or out and is laminated in heavy duty reinforced glass fibre making it corrosion-proof even in the most aggressive atmospheres.

Engineers do not have to climb to the top of the towers to carry out maintenance duties as is the procedure with conventionally designed models — a wide panel at the base of each unit allows easy access for internal inspection.

To further facilitate servicing the forced draught, direct driven fans are located at low level. Other benefits include two pass chevron type eliminators, which are 99.95 per cent efficient in reducing mist carry over (BS requires only 99.2 per cent). Watermiser towers are available with heat rejection rates up to 148,809 k.cal/hour.

● SERVICES

Free advice on robots

FINANCE TO enable the Production Engineering Research Association (PERA) to operate a robot advisory service on behalf of the Department of Industry is to be provided by the Mechanical Engineering and Machine Tools Requirements Board. The service will be available to companies in all industries, and the financial support is to be phased over a period of three years.

As part of the service, a demonstration centre is being established at PERA for robots and pick-and-place devices. Two robots have already been contributed by one manufacturer and further robots are being installed.

Visits will be made to companies, free of charge, to help management decide if there is justification for installing suitable equipment.

Further information can be obtained from the Manager, Robots and Work-Handling Department, PERA, Melton Mowbray, Leicestershire, LE13 0PB (0664-4133 extension 317).

● STORAGE

Keeping it cool in the corner

SHOULD A container or semi-trailer be carrying a mixture of perishable and non-perishable goods, only part of it may require refrigeration, which could be a problem. However, a temporary cold area can be created with the use of an inflatable partition developed by Avon Industrial Polymers (Melksham), Chippenham, Wiltshire (0249 56241).

The curtain is portable and easily assembled — it weighs only 40 lbs and can be installed by one man in a matter of minutes by using either a foot-pump or air-line.

The company also announces a major expansion of its flexible fabrications division at Chippenham with the extension of another 41,000 square feet to the original 46,000 square feet factory. This new area will house the division's various lightweight fabrications, such as the container curtain, a range of naval and commercial dry diving suits, and aircraft jet engine intake plugs.

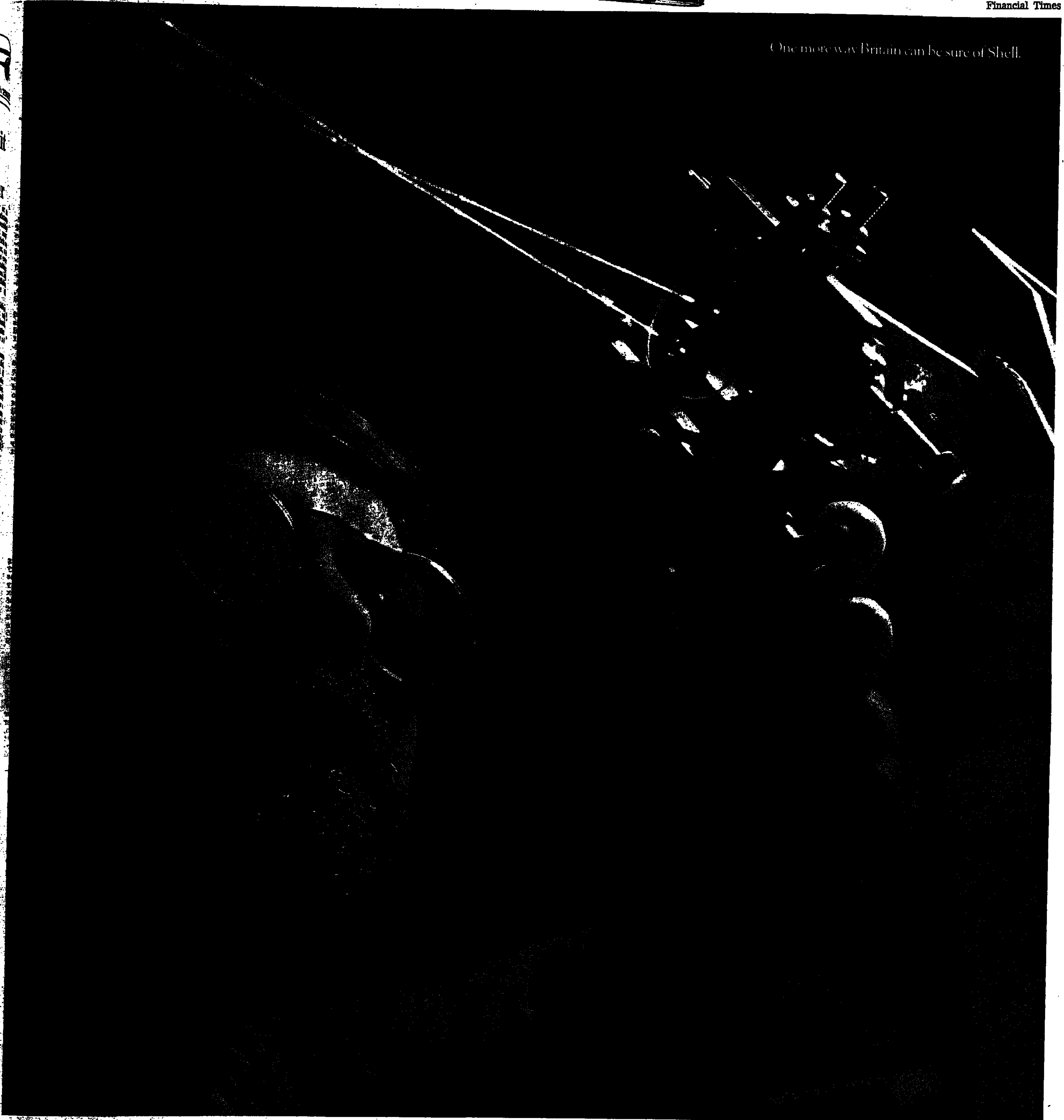
● ELECTRONICS

Versatile power unit

VIRTUALLY ANY electronic circuit/system power supply requirement can be met, claims Gould Electronic Power Supply Division, by its new Hiflex system in which, by the use of a variety of input and output modules, over 1800 variations can be offered from a single package measuring only 8 x 5 x 11 inches (203 x 127 x 279 mm).

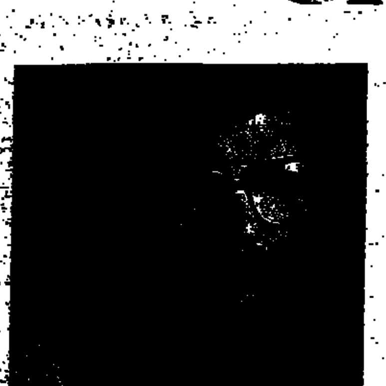
Hiflex is based on a fan cooled input unit available in 400, 600 and 750 watt sizes which is combined with a selection of up to six independent output modules. The units are assembled to customers' requirements and the number of variations available, together with the modular construction, mean that even the most demanding multi-output specifications "become standard products" claims Gould.

هكذا من الأجل



How can we squeeze more miles out of your gallon?

Shell's laser 'eye' reveals some secrets.



Dr. Martin Swo[illegible], Shell Scientist, Thornton Research Centre.

"One of the bigg[illegible] problems in eng[illegible] design is finding out just what's going on inside while the engine's running.

Engineers have long known that the turbulence of the petrol mixture and gases swirling inside the cylinder has an important effect on performance – but the difficulties of measuring the characteristics of a gas cloud which explodes about every [illegible] milliseconds, reaches 1500°C and is locked away inside thirty or forty pounds of metal, have proved insurmountable until now.

We are now able to drill holes in an engine cylinder, insert thick quartz windows and punch laser beams through the gas clouds as they mix and burn.

Using this technique we can work out the turbulence and the velocity of the gases. Engineers and scientists can use this data to improve both the cylinder geometry and the chemistry of the fuels.

Since we estimate that this new information could help to bring about fuel economy improvements as great as twenty per cent, it is a development of some consequence.

If you think of the difference such a saving would mean to you, it's easy to see why we think this work is so important."

COMPANY NOTICES

GENERAL MINING AND FINANCE CORPORATION LIMITED
(Incorporated in the Republic of South Africa)

NOTICE TO MEMBERS
ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the eightieth annual general meeting of members of General Mining and Finance Corporation Limited will be held in the board room, 6 Hollard Street, Johannesburg, on Thursday, 8 May 1980, at 09h45 for the following purposes:

1. To receive and consider the annual financial statements for the year ended 31 December 1979.
2. To elect directors in accordance with the provisions of the company's articles of association.

A member entitled to attend and vote at the meeting may appoint a proxy or proxies to attend, speak and vote in his stead. Such proxy need not be a member of the company. Instruments appointing a proxy must be deposited at the registered office of the company in Johannesburg or the London Oce at least forty-eight hours before the time of the meeting.

Holders of preference shares may attend the meeting but may not vote.

Holders of share warrants to bearer who wish to attend or be represented at the meeting may obtain information regarding the formalities to be complied with on application to the London office of the company.

By Order of the Board.
R. A. WILSON.
Group Secretary.

Registered Office:
General Mining Building.
6 Hollard Street.
Johannesburg 2001.
London Office:
Princes House.
95 Gresham Street.
London EC2V 7EN.
15 April 1980.

PROVIDENT LIFE ASSOCIATION OF LONDON LIMITED

3.5% (Formerly 5% gross)
CUMULATIVE PREFERENCE SHARES OF £5 EACH

NOTICE IS HEREBY GIVEN that the Dividend for the six months ending 30th June, 1980 of 8.75p per share, will be payable on 1st July, 1980.

REGISTERED SHAREHOLDERS

The Dividend will be payable to the Registered Shareholders whose names appear in the Register of Members at the close of business on the 2nd June, 1980.

SHARE WARRANTS TO BEARER

The coupons to be presented in respect of the above Dividends are numbered 192. They must be lodged for examination at Barclays Bank Limited, City Office, 170 Fenchurch Street, London, E.C.3, at least five clear days prior to payment.

By Order of the Board
J. D. FOX, Secretary

266 Bishopsgate,
London, EC2M 4QP.
16th April, 1980.

PROVIDENT LIFE ASSOCIATION OF LONDON LIMITED

ORDINARY SHARES

NOTICE IS HEREBY GIVEN that the Directors have recommended a final Dividend for 1979 of 5.6p per share, payable on the 2nd June, 1980 upon the Ordinary Shares of the Company.

REGISTERED SHAREHOLDERS

The Dividend will be payable to the Registered Shareholders whose names appear in the Register of Members at the close of business on the 9th May, 1980.

SHARE WARRANTS TO BEARER

The coupons to be presented in respect of the above Dividend are numbered 19?. They must be lodged for examination at Barclays Bank Limited, City Office, 170 Fenchurch Street, London, E.C.3, at least five clear days prior to payment.

By Order of the Board
J. D. FOX, Secretary

16th April, 1980.
London, EC2M 4QP.
266 Bishopsgate.

NOTEHOLDERS OF BANQUE SUDAMERIS
FLOATING RATE NOTES DUE 1987

BANQUE SUDAMERIS

Registered Office:

4, rue Meyerbeer 75009 PARIS FRANCE
R.C. Paris B 542 056 544 A.P.E. 8902

APPOINTMENT OF THE REPRESENTATIVES OF THE MASSE

Pursuant to the provisions of French Law and the terms of the Notes, notice is hereby given to the holders of Banque Sudameris Floating Rate Notes due 1987 that the reconvened meeting of the General Assembly of Noteholders, held on March 24th, 1980, at 3.15 p.m., Paris time, at the registered office of Banque Sudameris, 4, rue Meyerbeer, 75009 PARIS, France, has approved the appointment of the following Representatives of the Masse:

Roger BODIN, 35, avenue de Sainte-Mandé 75012 PARIS, France
Jean FLEURET-LAYBAYLE, 4, Square Léon Blum 92800 PUTEAUX, France

to serve as such Representatives for so long as any of the Notes remain outstanding, and has conferred upon each of the Representatives such powers as are conferred by applicable French Law, subject to the "Terms and Conditions of the Notes."

The minutes of the Meeting of the General Assembly of the Noteholders and related documents are filed at the registered office of Banque Sudameris and are available for inspection by Noteholders.

Representatives of the Masse
Roger BODIN
Jean FLEURET-LABAYLE

ANNOUNCEMENTS

ABERLOUR-GLENLIVET DISTILLERY CO. LTD., have pleasure in announcing the appointment of A. R. WILSON (AGENCIES) LTD., 9a Woodside Terrace, Glasgow G3 7UY. Telephone No. 041-332 2566/8, as Agents for the sale of new fillings of Aberlour Glenlivet Speyside Highland Malt. All future enquiries should be addressed to them.

TRAVEL

GENEVA, Basle, Zurich and Berne, widest choice of cheap flights from 4 U.K. airports. Brochure. FALCON. 01-351 2191.

INTERNATIONAL DEPOSITARY RECEIPTS RREPRESENTING SHARES PAR VALUE $2.50 COMMON STOCK J. P. MORGAN & CO. INCORPORATED

A cash distribution of $0.70 per Depositary Share will be payable on and after the 21st April, 1980, upon presentation of Coupon No. 38 at:

Morgan Guaranty Trust Company of New York, 30 West Broadway, (Corporate Trust Department), New York.
35 Avenue des Arts, Brussels
Morgan House, 1 Angel Court, London.
82 Frankrijklei, Antwerp.

at the designated rate, less applicable taxes.

This distribution is in respect of the regular quarterly dividend payable on the common shares P.V. $2.50 J. P. Morgan & Company Incorporated on the 14th April, 1980.

PUBLIC NOTICES

ST. HELENS BOROUGH COUNCIL BILLS issued 15th April, 1980. £2.5m Bills at 16 1/16% due 15th July, 1980. Applications £13.5m. Total outstanding £4.0m.

ROTHERHAM METROPOLITAN BOROUGH COUNCIL
£1,000,000 bills issued on 16.4.80 at 16 3/16 to mature 16.7.80. Total applications were £9,500,000 and there are £3,000,000 bills outstanding.

NEWBURY DISTRICT COUNCIL
£720,000 Bills issued 14.4.80 at 16 9/32 to mature 14.7.80. Total applications were £3,600,000 and these are the only bills outstanding.

GRIMSBY BOROUGH
£400,000 Bills issued on 16.4.80 at 16 3/16 to mature 16.7.80. Total applications were £3,600,000 and these are the only Bills outstanding.

CITY OF DUNDEE DISTRICT COUNCIL
£1,300,000 bills issued on 16.4.80 at 15 1/2 to mature 15.10.80. Total applications were £9,600,000 and these are the only bills outstanding.

BATH CITY COUNCIL
£325,000 bills issued on 16.4.80 at 16 1/16 to mature 16.7.80. Total applications were £2,925,000 and these are the only bills outstanding.

HERTSMERE BOROUGH COUNCIL
£850,000 bills issued on 16.4.80 at 16 1/16 to mature 16.7.80. Total applications were £7,650,000 and these are the only bills outstanding.

SOUTH YORKSHIRE COUNTY COUNCIL
£3,000,000 bills issued on 16.4.80 at 16 1/16 to mature 16.7.80. Total applications were £13,000,000 and these are the only bills outstanding.

PERUSAHAAN UMUM LISTRIK NEGARA

AGENCY OF THE MINISTRY OF MINES AND ENERGY OF THE GOVERNMENT OF THE REPUBLIC OF INDONESIA

Invitation to bid

Tenders for the Ash and Dust Handling Plant Contract for the new 2 x 400 MW Suralaya Steam Power Plant near the town of Merak in West Java will be received on or before 10.00 Hours on 19 August 1980, for public opening at 11.00 Hours at the Head Office of Perusahaan Umum Listrik Negara, Jalan Trunojoyo Blok Mi/135, Kebayoran Baru, Jakarta, Indonesia.

The Ash and Dust Handling Plant Contract comprises the design, manufacture, supply, erection and commissioning of plant to handle 500,000 tonnes per annum of ash and dust at the power plant and to the disposal area.

Beginning 18 May 1980 the Tender Document may be examined and upon payment of the non refundable amount of US Dollar 300 can be obtained at the following address:

PERUSAHAAN UMUM LISTRIK NEGARA
DIRECTORATE OF PLANNING
JALAN TRUNOJOYO BLOK Mi/135
KEBAYORAN BARU, JAKARTA
INDONESIA

To qualify for award, tenderers must have designed, manufactured, erected and commissioned a minimum of two ash and dust handling plants of equal or greater capacity than that specified during the preceding ten years each of which shall have been in continuous successful commercial operation for a minimum of three years.

Tenders will be received from qualified suppliers or their authorised representatives. The foreign currency portion of the works shall be financed under a buyer credit agreement and every tender shall be supported by a related offer of finance. The Rupiah portion of the works will be financed from the state budget of the Government of the Republic of Indonesia.

Perusahaan Umum Listrik Negara reserves the right to reject any or all Tenders and to waive minor irregularities and informalities.

JAKARTA, 17 APRIL, 1980.
PERUSAHAAN UMUM LISTRIK NEGARA

APPOINTMENTS

Thomas Cook Group deputy chairman

Mr. M. G. Wilcox has been appointed deputy chairman of the THOMAS COOK GROUP and continues in his executive position as a director and chief general manager of Midland Bank.

★

Mr. Keith Bates has been appointed managing director of RICE TRAILERS, the equestrian transport subsidiary of Dunlop. He succeeds Mr. Raymond Rice, who has retired.

★

Mr. J. N. Maltby has been appointed to the board of the BURMAH OIL COMPANY. He will offer himself for re-election at the annual meeting on June 6, and will take over as director—oil from Mr. M. J. Roberts, who retires from the company on that date.

★

Mr. Kevin Brady has joined GRIEVESON GRANT AND CO., stockbrockers, as their analyst specialising in shipping and overseas traders sectors.

★

Mr. Martin Moss has been appointed managing director of SIMPSON (PICCADILLY) from May 1. He formerly held that position until December 31, 1973, when he joined May Department Stores International Inc. of the U.S. and was chairman and chief executive officer.

★

Dr. Tony M. Ridley until recently managing director of the Hong Kong Mass Transit Railway Corporation, has been appointed joint managing director of HALCROW FOX AND ASSOCIATES. Mr. J. O. Tresidder continues as joint managing director. Dr. Ridley will also act as consultant to Sir William Halcrow and Partners.

★

Lord Renwick is to relinquish his partnership with W. GREENWELL AND COMPANY, stockbrokers, from May 16 to devote more time to his outside interests. He will remain a member of the Stock Exchange and associated with the firm. Subject to the consent of the Council of the Stock Exchange, Mr. A. L. Bucknall, Mr. M. S. Jaskel, Mr. P. B. Lilley and Mr. A. J. E. O'Sullivan will become partners on May 17.

★

Mr. Ademar de Albuquerque has become general manager of BANCO DO BRASIL London office. He was at one time manager at the London branch and prior to his present appointment was regional director for the Asia and Pacific area.

★

Mr. Richard G. Dyson, who was deputy charman of Barclays Bank International from 1968 to 1976, will retire as a director of BARCLAYS BANK after the annual meeting on May 8.

★

Mr. Harry Day, who became a director of the LAW LAND COMPANY in 1965 when he was chairman of the Crusader Insurance Company, has retired.

★

Mr. Mark Konig and Mr. Tony Vincent have been appointed to the board of MARANELLO CONCESSIONAIRES.

★

Mr. Tony Williams has been appointed UK operations director of COMMERCIAL CATERING COMPANY, a member of the Grand Metropolitan group.

★

Mr. V. G. West has been appointed deputy manager of the ROYAL NATIONAL PENSION FUND FOR NURSES.

★

Mr. Albert Angel has been appointed managing director of MERCK SHARP AND DOHME. He is also a vice-president of Merck Sharp and Dohme (Europe) Inc.

★

Mr. Richard J. Stanes has been appointed managing director of the M. L. DOXFORD GROUP.

★

Mr. W. Foy, head of the gilt department of stockbrokers BUCKMASTER AND MOORE, has joined the partnership. Mr. J. M. A. Shemilt has resigned as a partner to devote more time to his other private business interests.

★

Sandelson and Co., stockbrokers, is to change its name to BONE FITZGERALD AND CO. on May 12. Subject to the consent of the Council of the Stock Exchange, the following will be appointed directors of the company on that date: Mr. Stephen M. Bright, Mr. Paul A. Greenslade, Mr. Andrew J. Oliver, Mr. Paul T. Sotiriou and Mr. Alistair R. White.

★

Mr. Alasdair Gillies has been appointed managing director of JOHN WILLMOTT CONSTRUCTION, a member of the John Willmott Group.

★

Mr. Martin Truscott has been appointed managing director of HOTELPLAN. Mr. Hugh Henry has become chief executive and general manager of Swans and will remain a director of Hotelplan. Mr. Truscott was previously with RPA Management.

★

Mr. W. Campbell Allan of Gartmore Investment, a subsidiary of British and Commonwealth Shipping Company, has been appointed chairman of GODSELL AND CO and Mr. D. B. Buik, Mr. J. A. Pullen and Mr. P. E. Trenier have joined the board of that concern.

★

Mr. John E. Fitzgerald, vice-president, has joined the FIDELITY BANK, London branch, as business development officer for Eastern and Western Europe.

★

Mr. John Barber has been appointed deputy chairman, and Mr. Anthony Good continues as chairman of COX AND KINGS (HOLDINGS) on its acquisition by Grindlays Bank. Mr. Barber is former finance director of the Ford Motor Company and deputy chairman of British Leyland and is now a director of a number of companies. Mr. Good is also chairman of the Good Relations Group and a director of Subaru (UK).

★

Mr. Cyril Gutteridge has been appointed director (technical services), Mr. M. J. Garrett special director (technical services) and Mr. G. D. Morley special director and group financial accountant of Ductile Sales. Mr. W. J. S. Downes has become works director of Tipper Bros. (Tubes). Both companies are members of DUCTILE STEELS.

★

Mr. David Brown has been appointed financial controller, with the status of assistant general manager, of WORLD-WIDE ASSURANCE COMPANY. Mr. John Greenhalgh has become manager of the company's actuarial department.

★

Mr. Brian Heggie, financial director of British Industrial Plastics, is to retire because of ill-health. He will be succeeded by Mr. Peter Farrell, who is financial director of Newalls Insulation Company. Mr. Dudley Barker, at present with Storey Brothers, has been appointed finance director of Newalls Insulation from August 1. The parent concern is TURNER AND NEWALL.

★

Mr. Ian C. Johnson has been appointed a director of RUBEROID BUILDING PRODUCTS, a member of the Ruberoid group. He was previously associate director exports.

THE MARKETING SCENE

BY MICHAEL THOMPSON-NOEL

So far, the advertising business is enjoying another good year, which is where the plot thickens

Has British industry changed its spots?

HAS BRITISH industry committed its own private U-turn? Is it about to break with tradition and demonstrate that the best way to face a recession is head on—that when times are tough and markets have gone sour, one of the worst things to do is to tread on the brakes?

It is difficult to say. But the evidence is growing that British manufacturers are in good mental trim for this recession. They are in a mean frame of mind, and keeping clear of the ropes. It seems that the lessons of the past six years have been taken to heart—that managements now appreciate that panic raids on the marketing budget are not the soft options they appear, and that one of the surest ways to surrender hard-won sales and share-of-market is to bring the marketing effort shudderingly to a halt.

Good company

The best way to illustrate this is to look at what is happening to advertising, where at present there are some strange goings-on. According to most forecasters at the start of the year, let alone text-book descriptions of the relationship between cyclical movements of advertising and those of the economy as a whole, 1980 was supposed to be a poor year for advertising.

Contracting markets and falling profit levels, it was boldly proclaimed, would at once hit advertising budgets, so that after the first quarter there would be pronounced falls in real levels of expenditure lasting well into the first half of next year and dispelling the boom-like conditions in which advertising has basked since late-1976.

Not for the first time, the faculty of forecasters has got a bloodied nose. Contrary to all assembled wisdom, the advertising business seems likely to enjoy another good year, so that even at the Advertising Association they are sounding almost optimistic.

This is not to say that advertising will not suffer some sort of relapse. In 1979, total UK media expenditure was approximately £2.07bn, compared with £1.834bn the previous year. But for the ITV strike last autumn, 1979 would have produced a fourth successive year of real advertising growth. As it was, there was a strike-induced fall in real advertising expenditure in 1979 of approximately 1.5 per cent.

By all that's right, at least with the forecasters, the travails of 1980 were expected to produce a much more serious fall in real advertising expenditure this year of anything from 5 to 12 per cent. (For ease, this projection assumes that the ITV strike did not happen, so as to restore the artificially depressed total for 1979 to a more coherent level.)

However, the signs now are that in real terms, the 1980 ad spend could approach that of 1977, the second best year, apart from 1978, since the peak of 1973-74.

This is where the plot thickens, for at face value, British advertisers are behaving out of character. They appear to be digging in their heels—to be saying, in effect, that in definance of the recession that is generally expected, they will try and market themselves out of trouble, at least to the extent that they will hold their advertising budgets firm against all but the sternest corporate pressures.

What evidence is there for this? First, it must be stressed that there are numerous factors at work helping to obscure the true position. The first quarter of the current year produced near-record levels of expenditure in historic terms, but much of that was due to carry-over from the ITV strike. Second, importers are still spending heavily, although as the Battle for Britain develops, they can expect increasing retaliation from UK manufacturers after the manner of BL's £2m Buy British campaign last month. Third, the rates of sectoral growth are showing wide variations.

Nonetheless, there is a body of opinion to support the view that British manufacturers have indeed changed their spots and come to regard advertising as neither an indulgence nor an entertainment but a genuine investment.

At McCann-Erickson, chairman Ann Burdus refers to the "remarkable stability" of the advertising scene at present. "We've all been waiting for the shoe to drop, and haven't heard a sound." At Saatchi and Saatchi, Maurice Saatchi says: "Prospects, as far ahead as one can see, are good. One must be cautious about economic prospects for the second half, and a slow-down is inevitable.

Left to right: Maurice Saatchi of Saatchi and Saatchi: "Prospects, as far ahead as one can see, are good." Ann Burdus, chairman of McCann-Erickson: waiting for the shoe to fall. Jeremy Bullmore, chairman of J .Walter Thompson: "Manufacturers are acknowledging the financial impact of advertising in a way not seen since the war."

But in general, the view is really gaining ground that advertising will be a key to maintaining sales and market share in the face of this recession."

At Lintas, chairman Tim Denehy says clients will face problems in terms of labour costs, energy costs, raw materials costs and increasing pressure by retailers, but he still sounds optimistic.

Less paranoid

Lintas is primarily a consumer goods agency, but has a fair sprinkling of service accounts. Clients include Batchelors, Birds Eye, Lever Brothers, Ford, Van den Berghs and Bowater Scott, as well as Air France and the Daily Telegraph. It does all Unilever's TV buying.

"Everyone had expected a sudden slackening by the end of April, but there are no real signs," says Mr. Denehy. "The next six months? Clients whose financial year is also a calendar year could face a really big crunch in the last quarter. We are seeing money being held back in the last half of the year by 11 clients. It will only be released if there are big changes for the good.

"The majority of marketing managements are of course firmly committed to the nation of advertising; it's just that many of them have learnt recently to be less paranoid when examining one year against the next."

One man convinced that a profound change of heart has occurred among advertisers is Jeremy Bullmore, chairman of J. Walter Thompson.

"I have nothing other than instinct to guide me," he says, "but virtually everything I see and hear seems to indicate that the lessons of the past few years—reinforced by the self-inflicted absence of television advertising last autumn—has confirmed traditional advertisers in their view about the *value* of advertising. They have come to acknowledge its impact on their own bottom lines in a way not seen since the war.

"It is not true for all advertisers, but whereas five or six years ago it was the brand manager or marketing manager who preached the value of advertising, the message has now reached chief executives and finance directors. As a result, I believe that the pressure from above to cut advertising budgets indiscriminately in the coming recession will be far weaker than hitherto."

The media themselves stress that although business is buoyant, they are living virtually hand to mouth. Brian Downing, marketing director at Mirror Group Newspapers, says that although business is better than there had been a small inrcease could have been envisaged at the turn of the year, it is virtually impossible to peer past May. "My hunch is that total advertising expenditure this year will show a gain of 10 to 12 per cent, which won't be so hot when measured against inflation. At some point the tap will go off, but I have no idea when."

Further tentative evidence of a change of heart by advertisers came in last week's Marketing Week business trends survey conducted by Davidson Pearce, which indicated that UK marketing budgets this year were likely to grow significantly as a proportion of companies' turnover. Thirty-one per cent of the companies polled said there were big real-term increases in their advertising budgets this year; a further 26 per cent said

Forecasts

If British advertisers really have undergone a change of heart, they are in very good company. According to Robert Coen, a senior vice-president at McCann Erickson in New York, figures for last year show that total U.S. advertising expenditure rose 13.3 per cent to virtually $50bn.

"The performance of 1979 now makes it clear that the role of advertising in industry has changed significantly in the last few years," he claims.

In the 10 years prior to 1975, he says, U.S. advertising growth was sluggish, simply because a combination of events—Vietnam, the Nixon wage and price controls and the deep and extended recession that began in late 1973—had more of an impact on advertising than on the U.S. economy as a whole.

"The impact of these pressures had run their course by mid-1975. As the economy began to expand in 1976, the climate in the ad industry rapidly improved. A flood of held-back new product introductions was released, and advertising competition began to reappear. Established products were forced to respond with heightened advertising-to-sales ratios as competition for expanding consumer markets grew . . . The industry may not experience an exceptional boom in 1980, but relative to the floundering economy it will probably turn out to be a fair year at least."

What happens in the U.S. is not bound to happen here. But if there has indeed been a shift in the way British manufacturers view advertising specifically and marketing in general, if they are prepared to roll up their sleeves and pitch into the fight, the economy might be in for a less bone-shaking ride than is generally predicted.

Bates buys FSD, Procter survives

TED BATES, fifth largest agency group worldwide, has bought Fletcher Shelton Delaney, the £7.2m-billing London agency. Bates has expanded rapidly over the last two years.

FSD will retain full management independence. Talks started on January 14. The purchase is being made by a newly-formed UK holding company whose directors are Mike English, Ian Spear and Robert E. Jacoby. A new management team is being formed at Bates' London office. Mr. English is relinquishing the chairmanship to Roy Beaumont.

Meantime, Gordon Procter and Partners, which called in a receiver last week, has been taken under the wing of Foote Cone and Belding. A new company has been formed to handle some £5m worth of Procter business.

Chairman Gordon Procter has joined Interlink, part of Lopex. Procter's is laying off staff, and may have to sell its new Covent Garden premises to help meet debts of more than £300,000. Root cause of the trouble was last autumn's ITV strike and the Dunbee-Combex-Marx collapse.

JOBS COLUMN; APPOINTMENTS

Pacific headhunt • Broker's research head

BY MICHAEL DIXON

"THINK of the Pacific," said headhunter Brian Hoggett.

"Very big, the Pacific," I replied.

"True," he conceded. "Well, somewhere in that area an Australian group has a big trading subsidiary with a turnover of £100m and 5,000 employees, of whom 350 are expatriate managers from Britain and the U.S. as well as Australia. It has divisions for retailing, wholesaling, motor vehicle distribution, shipping, land transport, and small manufactures including soft drinks and some engineering products."

After a pause for breath, he added: "That subsidiary is in need of a chief executive and a second in command, and I thought that the right sort of people might be lurking somewhere in the Job's Column readership."

"What are th esalaries?" I inquired.

"At least £50,000 for the chief, and £30,000 upwards for the number two, who'll have the title of generations operations manager. Local income tax is around 20 per cent. But there will be bonuses as well, and expatriate benefits including free accommodation, cars and so so forth."

"That's the sort of talk that interests the readers." I said. "Could you tell me more, please? And he did.

The chief's responsibility will be the overall development and direction of the subsidiary's business, which will put a premium on ability to deal diplomatically with high-ranking Ministers and officials of nations in the relatively early stages of independence. But practised skill in dealing politically in foreign countries, while an advantage, is neither essential nor enough.

Candidates for this post must have been successful in running a large business operation embracing either a range of different products and services, or numerous trading centres in various different places.

The general operations manager will be directly responsible to the chief for the day-to-day control of all the subsidiary's activities, working through the heads of the several divisions, almost all of whom are expatriate managers.

Candidates for the second-in-command's job must definitely have experience of working overseas, and have a record of success in senior-level management of a variegated business.

The age range for both jobs is 40-plus to the mid-50s. "Ideally, I'd like the applicants not only to be mature, experienced leaders, but also to look it," said Brian Hoggett.

"Greying hair, fearless eyes, and a hint of humour in the decisive set of the mouth?," I asked.

"That's it," he confirmed, and added that English was the only essential language.

Inquiries to him at Hoggett Bowers and Partners, Minerva House, 29 East Parade, Leeds LS1 5RX; telephone 0532 448661, telex 55293 Chacom G.

Equity prospect

ABOUT £30,000, a partnership with a major stockbroker in the City of London, and prospects of an equity share are being offered through recruitment consultant Bill Gill of Merton Associates for a new head for the broker's research department.

The prime need is for someone who knows what kind of research is wanted by the investment managers of banks, insurance companies and other institutions. Because although the department is well established with about 14 analysts and special expertness on Midlands industry in general and engineering in particular, the recruit wil be responsible for working out and putting into effect a new strategy.

"There's a tendency for research put out by brokers to be rather academic," I was told. "That may have been all right when conditions weren't so competitive. But it won't do nowadays —not if the object is to prod busy investment managers into ringing up your institutional sales force and giving them some business.

"So the emphasis will be on producing work that's immediately useful to investment managers, and presenting it so they'll see it as such. Relevance, topicality and accuracy are the qualities that come to mind, and we want someone with a reputation for research thta combines all three."

In acquiring the desired reputation in the City, candidates must also have gained experience of managing a research operation and of dealing directly with the top executives of big institutions. Age could be anywhere between the early 30s and the mid-50s.

Inquiries to Air Vice-Marshal Gill at Merton House, 70 Grafton Way, London W1P 5LN; telephone 01-388 2051, telex 8953742. "Absolute confidentiality" is guaranteed to those inquiring, not only because the employer may not be named, but because the City, if not paved with gold, is walled with ears.

Apprentice MD

NOW to consultant Gino Rican of Graduate Appointments, who is seeking someone able to earn over the next couple of years or so the managing directorship of a company manufacturing a range of inks for offset printing. (Mr. Rican may not name it, and so he guarantees to abide by any applicant's request not to be identified to the employer until permission is given.)

From the start, however, the recruit will take charge of the day-to-day running of the business, being directly responsible to the present MD for the efficiency of its manufacturing, technical work, sales and marketing, training, and financial operations. As chairman of an executive Board including the heads of the relevant departments, the new second-in-command will also be responsible for advising the main Board on future policy. The base is the Midlands.

The specification calls particularly for successful experience in the management of a manufacturing concern, including responsibility for budgetary control. Familiarity with the use of mini or micro computers would be a distinct advantage. But candidates must also be used to working in a marketing-minded company, because the newcomer will arrive at the start of a three-year programme intended to expand sales both in the United Kingdom and overseas. I gather that the present managing director will certainly not be prepared to hand over his job until the company has much improved on its present ranking—in terms of turnover and profit, about egihth among some 28 printing-ink manufacturers in the UK. The preferred age is mid-30s to early 40s.

The salary indicator is up to £20,000, but I susepct that figure could be stretched upwards by a candidate who is clearly worth more. Perks are for negotiation.

Mr. Rican—who adds, somewhat enigmatically, that although a "good sense of humour" si not a strict requirement for the job, it would definitely help—can be conatcted at 7, Princes Street, London, W1R 7RB, telephone 01-629 7262.

Product manager

A NUMERATE graduate aged up to 30 and with at least three years in the marketing of fast moving consumer goods, is wanted by Johnson and Johnson at Slough. Working in the buisness development group concerned with products other than those for babycare, hte recruit will at first be responsible for the marketing of two major brands. Duties will include the development of established and new franchises.

The salary indicator is £9,500, plus bonus; car among perks. Inquiries to John Hume, the "manpower resourcing manager." at 260, Bath Road, Slough, Berks., SL1 4EA.

هكذا من الأصل

ACCOUNTANTS FOR INSURANCE

LONDON, S.W.1 c.£10,500+substantial benefits

Due to reorganisation, the Iron Trades Insurance Group is seeking two qualified Accountants to assist the Group Accountant as follows:

FINANCIAL ACCOUNTANT:

The duties for this position will include preparation of annual and quarterly accounts, in-depth monitoring of agency and treaty accounts, as well as assisting in the development and introduction of new systems.

MANAGEMENT ACCOUNTANT:

The duties will include regular analysis of each class of business underwritten, liaison with the Department of Trade and British Insurance Association for statistical information as well as designing and helping to implement new systems.

It will be advantageous but not essential that applicants will have had experience within the insurance industry and will have been qualified for at least three years. Experience of staff control is necessary as well as an ability to liaise with Senior Management.

Applicants must be either Chartered or Certified Accountants and be in the age range 28 to 40 years old.

Please send a brief career resume to:

The Chief Accountant
IRON TRADES INSURANCE GROUP
Iron Trades House, 21/24 Grosvenor Place, London, SW1X 7JA

Financial Controller

Oxford **to £12,000+Car**

Our clients are a large multi-branch firm of Chartered Surveyors and Estate Agents with offices in major towns in Oxfordshire, the surrounding counties and London.

They now wish to recruit an experienced Financial Controller to assume full responsibility for all financial and management reporting aspects of their fast growing business. This is a new position and calls for a Qualified Accountant aged 35-50 with several years experience in a commercial environment. New computer based accounting and budgetary control systems are being developed and some experience in this field is, therefore, important.

There are excellent conditions of employment and as the senior financial executive in the firm, you will have ample scope to use your expertise and business awareness in a very friendly and informal environment.

Please send concise personal, career and salary details, or telephone for an Application Form, quoting AC333/FT, to:

W. S. Gilliland, Thornton Baker Personnel Services Limited, Fairfax House, Fulwood Place, London WC1V 6DW. Telephone: 01-405 8422.

A member of the Management Consultants Association

Personnel and Industrial Relations Consultants

Secretary-General (Chief Executive)

The Building Societies Association

The Association, whose headquarters are in London, W.1., represents over 200 building societies with combined total assets of over £45 billion. It actively promotes savings and home ownership, negotiates with Government on matters affecting building societies and sets standards for its member societies. Succession to the present holder takes place on his retirement in May, 1981.

Candidates, preferably graduates, should be professionally qualified or experienced in finance, economics or the law. They will have held very senior positions and had high level experience of administration, negotiation, and public relations. Desirable background would include trade associations, statutory bodies, building societies, banking, insurance, retailing or the Civil Service.

Salary for discussion from £25,000. Benefits include mortgage facility, car and generous pension.

Those interested in the appointment or who wish to make a nomination should communicate with P. M. E. Springman, MSL Executive Search Limited.

This appointment is open to men and women.

MSL

United Kingdom Australia Belgium Canada France Germany Holland Ireland Italy New Zealand South Africa South America Sweden Switzerland U.S.A.

International Management Consultants
17 Stratton Street London W1X 6DB
Tel: 01-493 3551

Outstanding Executive Opportunities in Saudi Arabia

We are a well-known and highly reputed Arabian investment company with substantial assets, engaged in developing and financing investment opportunities throughout the Arab World. Our rapid growth in one of the world's most dynamic markets has created a need to strengthen and expand our management team. We are seeking a

Director of Projects

who will be the senior executive responsible for the evaluation and development of all our new major ventures throughout the Middle East.

Deputy Director of Projects

who will lead a Project Team carrying out detailed economic analyses of new and existing projects and advising us upon our participation in these.

Ideal candidates for these positions will be Arabian nationals with fluent command of English and French, currently in a senior financial position with a major international financial or business organisation.

Project Officer

who will liaise with Senior Project Management on new project finance and equity participation with particular responsibility for projects with governmental and financial institutions and will represent us on the Board of companies in which we have an equity shareholding.

Secretary General

who will be responsible for the overall directions of the Administration Department of the company, providing legal expertise, personnel and general services and control, as well as public relations.

Our ideal candidates for these positions will be Arabian nationals, fluent in English or internationalists fluent in Arabic, with a background in banking, law or business administration and relevant experience in credit analysis and project evaluation or administration respectively.

If you are interested in an outstanding opportunity, not only to influence the development of the Arab World, but also to further your career, you should meet with us for a discussion.

Please telephone or write with details of your career, to **Berndtson International Ltd., 28 Welbeck Street, London W1M 7PG, Tel. 01-935 3470,** who have bee nretained to advise on these appointments. All communications will be dealt with in strict confidence.

Finance Director Designate

Oxford **c. £12,000+Car + relocation assistance**

Only ten years old but already recognised as U.K. market leader in its specialist "shop-within-a-shop" retailing operation, our client confidently predicts continuing substantial growth. Also, exciting new opportunities in another field are at an early stage of development.

Recognising that strong financial management is critical in this fast moving environment, they now wish to recruit a high calibre, commercially orientated Financial Controller to be responsible to the Chairman for all financial aspects of the business.

You will be a Qualified Accountant aged 30-38 with experience in a f.m.c.g. environment. You should be able to demonstrate a sound track record of budgetary control, pricing, staff management and the implementation of computer based systems. And most essentially, you must be of the calibre to warrant promotion to Finance Director within two years.

Please send concise personal, career and salary details, or telephone for an Application Form, quoting AC 334/FT, to:

W. S. Gilliland, Thornton Baker Personnel Services Limited, Fairfax House, Fulwood Place, London WC1V 6DW. Telephone: 01-405 8422.

A member of the Management Consultants Association

Personnel and Industrial Relations Consultants

Young ACA for Leading Merchant Bank

Attractive salary plus usual benefits

Probably between 24 and 28, you are currently working in the London office of one of the top firms of Chartered Accountants.

Since leaving university, where you obtained a good degree, you have invested three to four years in acquiring and developing your skills as an accountant.

Your experience since entering the Profession will have been mainly of auditing but will have included some investigation and systems work, some, ideally, within the commercial banking sphere.

You are attracted by the City and the world of finance and looking for the right opportunity. Not a mundane number-crunching job, but a real step forward into a new world that will provide the challenge, involvement, recognition and high rewards you seek.

All are achievable with our client if you have the ambition and motivation to apply your abilities to their fullest extent.

You will initially fulfil an internal systems consultancy role with considerable involvement in the increasing use of data processing, frequently acting as an interface between user and computer departments. As your work will cover all aspects of the bank's activities, you will rapidly acquire invaluable knowledge of how this type of organisation is run, controlled and its performance measured.

From there on it is up to you.

If you are interested and would like to know more, please telephone David Lloyd or write to me quoting reference FT 3435.

Lloyd Chapman Associates

123, New Bond Street, London W1Y 0HR 01-499 7761

EXECUTIVES

Over £10,000

Today is a good day for making a fresh start.

If your present job lacks:—

- Interest
- Prospects
- Salary advancement

and you want:—

- A better salary
- New challenge
- More interest

Then don't wait any longer.

Telephone us now for a cost free assessment meeting and let Europe's most experienced job search organisation take a hand in your future — Call

Percy COUTTS & Co.
01-839 2271
140 Grand Buildings, Trafalgar Square, London WC2.

BERMUDA SYSTEMS ANALYST

Sal: $30,000 p.a. tax-free
Age: 28-40 yrs.

Systems Analyst/Project Leader required by International Broking House in Bermuda. Previous experience including COBOL Programming, preferably IBM or NCR. Duties will encompass technical advice, reporting and the ongoing assessment and reassessment of projects including related staff.

Please contact in strictest confidence, quoting reference number 44786, to:

Trevor M. James or Christopher D. Stock, Insurance Personnel Selection Limited, Lloyds Avenue House, 6 Lloyds Avenue, London, EC3. Tel: 01-481 8111.

CHIEF FINANCIAL EXECUTIVE

London S.W.19 **To £14,000+bonus+car**

Our client is an autonomous subsidiary (T/o c. £10m) of a major U.S. group and specialises in the manufacture and marketing of high quality furniture products of world-wide renown.

Due to continued growth a qualified accountant, preferably a graduate aged 30-35, with a high degree of commercial acumen is to be appointed. Supported by a staff of 30 he/she will be responsible to the Managing Director for the overall control of the entire financial and secretarial functions of the Company and for the development of computerised systems.

Candidates must demonstrate the ability to motivate staff and communicate financial matters to all levels and disciplines. As a member of the executive committee the appointee will be expected to make a positive contribution to the general management of th business and ensure maximisation of profitability.

Applications under Ref. No. RC151 to:

Miss Marion Williams, Extel Recruitment,
4, Bouverie Street, London EC4Y 8AB. *Tel: 01-353 5272*

Extel Recruitment Executive Selection Consultants

Jonathan Wren · Banking Appointments

The personnel consultancy dealing exclusively with the banking profession

BOND SALES London **£ Negotiable**
Our client offers trading and market advisory services in the secondary market for international securities. Due to continuing expansion of business an opening has arisen for an experienced and aggressive Bond Sales Executive who will maintain and develop relationships with investing clients, including the provision of advice on developments in the Eurobond markets. This opportunity will attract candidates who have from two to five years' experience in the bond market in a sales or advisory capacity; preferred age is 25–30 years, although more mature candidates will also be considered.

F.X. DEALERS London/Luxembourg **£7,000–£11,500**
There are openings for young, experienced Foreign Exchange/Deposit Dealers with international banks in both London and Luxembourg. Age early/mid-twenties would be ideal, with approximately two years' active dealing experience including deposits, exchanges and some arbitrage. For the Luxembourg appointments some knowledge of German would be useful, although not essential.

CREDIT ANALYSTS London/Bahrain **£8,000–£15,000**
Openings are available for Senior Credit Analysts in both London (£8,000+) and Bahrain (to £15,000). The job content in each position includes the appraisal of new loan propositions, the review of existing commitments and also the training of more junior analysts. Suitable candidates would have track records in international banking including several years in credit analysis, ideally including a formal credit training.

Please telephone KEN ANDERSON or BRIAN GOOCH

First floor - entrance New Street
170 Bishopsgate London EC2M 4LX 01-623 1266

THE FIDELITY BANK

Due to the expansion of the Funds Management Division of our London Branch, we have a vacancy for a Senior Foreign Exchange Trader.

The successful candidate should have a minimum of five years' active trading experience, with an in-depth knowledge of Foreign Exchange and Euro currency trading.

Salary: negotiable, with attractive fringe benefits.

Please contact Alan Morgan, Foreign Exchange Manager, or Roy Ozmond, Deputy General Manager, on 283 8241.

VACANCIES IN NIGERIA

A multi-purpose group of companies with offices in several countries of Europe, U.S.A. and Africa invites applications for managerial positions in one of its affiliated companies in Nigeria. The candidates will be responsible for all commercial operations covering sales and distribution of imported goods as well as cement amounting to 1.5 million tons annually which is produced at a Cement Plant functioning in Port Harcourt.

Applicants who should be over 30 years old, must have a University degree or Diploma either in Commerce or Marketing or Economics or any other relative field with wide experience in the trade.

Salary and other benefits: Total gross annual salary N24,000 (presently equal to about U.S.$ 43,000), insurance against accidents as well as life insurance, free medical treatment, free accommodation with household service, car facilities, air-fare for two annual home trips for employees and spouse (if married), and paid annual holiday of five weeks.

Candidates should apply in writing only to:—

NKS EUROTRADE (U.K.) LTD.,
Friars House, 39/41 New Broad Street,
London EC2M 1NH
(for vacancies in Nigeria)

giving full details of their qualifications and experience as soon as possible. Applications will be treated in strict confidence.

INTERBANK LTD.

c £18,000

Interbank, an Antiguan Bank, require a Chief Executive for their UK office. Experienced Banker needed. £18,000 per annum. Further information:

Director of Administration
INTERBANK LTD.
36 Ivor Place, London, NW1

STOCKBROKERS

Medium-sized stockbrokers require experienced valuation clerk preferably with centre-file experience. Excellent salary plus bonus, season ticket loan etc.

Ring Admin. Department
588 2311

هكذا من الأصل

Branch Manager
Finance — Reading

Our Company, a wholly owned subsidiary of William & Glyn's Bank Limited, provide instalment credit facilities for industry and commerce. We currently have a vacancy for a Manager in our Reading branch.

The successful candidate will not only ensure that current business levels are maintained but encourage and motivate the team into identifying and developing new business opportunities.

Applicants must have a sound background with management experience in instalment credit, particularly in respect of staff, budgetary control and target achievement.

The rewards for this challenging post are competitive salary, Company car, excellent pension scheme and other fringe benefits, including a mortgage subsidy scheme.

Apply by telephone to John Morley, Personnel Manager,

The Quadrangle,
Imperial Square, Cheltenham,
Gloucestershire GL50 1PZ.
Tel: 0242 36141.

A Member of The Royal Bank of Scotland Group

St Margaret's Trust Limited

F/X DEALERS

We are currently seeking to identify a number of suitably experienced dealers to maintain the following positions:

Snr. Forward Dealer(s) — c. £15000
For two major U.S. banks with significant growth plans.

A/Chief Dealer — £14-£18000
This progressive international bank seeks an allrounder, ideally late 20's, with strong spot/forward experience.

No. 3 Dealer — to £12500
A career opportunity with a European bank is now open to a young dealer, 24-27, with a minimum of 3 years' active trading.

Snr. Deposit Dealer — £14000+
For a world-leader with a strong background in deposit dealing – ideal age 28-35.

F/X Adviser — £11-£15000 neg
Prominent international bank requires an articulate dealer, 26-30, with experience of corporate f/x advisory activity.

F/X Dealer — £9/10000
For an active dealing room keen to recruit a young dealer of genuine potential with minimum 2 years' exchange trading experience.

Contact Norman Philpot in confidence on 01-248 3812

NPA Recruitment Services Ltd
60 Cheapside London EC2 Telephone 01-248 3812 3 4 5

Financial Manager
N. London — to £12,500

This appointment has arisen through reorganisation and promotion in the UK subsidiary of a multinational food group. In the US the corporation ranks highly in the Fortune 500 listings and has worldwide sales in excess of $2,500m. Turnover in Britain is over £50m and the profitability record is good.

The position carries varied responsibilities ranging from the management of a financial accounting team some 10 strong to the solving of many business problems including the development of new products and the investigation of potential acquisitions. It also involves regular contact with the US parent and the ability to meet the usual American reporting requirements.

Ideally the person appointed will be ★ a late 20's graduate qualified accountant ★ with at least 2 years' experience of US accounting ★ most probably in a consumer goods environment.

The remuneration package includes a subsidised staff restaurant and a discretionary bonus scheme.

This position is open to both men and women.

Please reply in confidence, quoting U862, giving concise personal, career and salary details to R.G. Billen – Executive Selection.

AYMS Arthur Young Management Services
Rolls House, 7 Rolls Buildings
Fetter Lane, London EC4A 1NL.

CHIEF EXECUTIVE
Housing Association

London — £12-£15,000
Age 45-55 — Plus Benefits

The Association
A long established Charitable Housing Trust in West London with fixed assets of £20m and income of £1m is playing an increasingly significant role in the community.

The Position
Responsible for the overall direction of the Association, with an emphasis on the development of a positive management policy.

The Person
The successful candidate should have a proven record in a senior administrative or financial position, probably from a business or public service background.

Please apply in confidence to Ian Willis:

Ian Willis Associates Ltd
110 Jermyn Street, London SW1Y 6HB, Tel: 01-839 7577/930 3209

IAN WILLIS ASSOCIATES LTD.
Executive Selection Consultants

Director-International Business Development
c. £18,000 + bonus + car

Our client, part of a large British manufacturing group, wishes to appoint a Director to lead its growth outside the UK.

The company occupies a specialist, highly profitable and growing niche in industrial consumables and serves a wide range of industries. Appreciable growth has been achieved outside the UK in recent years and the company wants to build on this platform and develop business overseas through its independent distribution network, through manufacture abroad where appropriate and through acquisitions. This is a new position and its holder will also be the Deputy Managing Director of the company and capable of promotion within three years.

To apply you should be aged 35-40 and almost certainly a graduate. An ideal career pattern will demonstrate sales management experience in specialist consumer or industrial consumable products, followed by success at general management level in a market orientated company. If this is backed by responsibility for subsidiary manufacturing businesses outside the UK and close involvement in, if not prime responsibility for, acquisitions —so much the better.

The ability to conduct business in other languages will be useful, especially Spanish and/or German. The person appointed will be prepared to travel abroad extensively, and the location is Northern England.

A profit related bonus scheme plus a car and other fringe benefits form part of the remuneration package.

Ref: W4960/FT.

Replies will be forwarded direct, unopened and in confidence to the client unless addressed to our Security Manager listing companies to which they may not be sent. They should include comprehensive career details, not refer to previous correspondence with PA and quote the reference on the envelope.

PA Advertising
Hyde Park House, 60a Knightsbridge, London SW1X 7LE. Tel: 01-235 6060 Telex: 27874

PA

A member of PA International

Operations Manager
Bermuda

for a long established private company which has diverse, worldwide interests.

As a key part of the compact headquarters team, the appointed candidate will work closely with operating companies in the monitoring and development of their activities, and will undertake a range of administrative duties in addition to new venture appraisals.

Probably in their late 20's/early 30's, candidates must be graduates (preferably numerate discipline) or chartered accountants and will ideally have a business studies qualification. Their successful careers should extend over several organisational functions rather than a single specialism, and could well include group headquarters or management consultancy or money management experience.

Remuneration around $35,000 free of local tax.

Please write – in confidence – for a personal history form to G. E. Howard ref. B.1112-1.

MSL United Kingdom Australia Belgium Canada France Germany Holland Ireland Italy New Zealand South Africa South America Sweden Switzerland U.S.A.

Management Selection Limited
International Management Consultants
17 Stratton Street London W1X 6DB

Group Internal Auditor

This is an excellent opportunity for a young chartered accountant to join a successful and expanding international Group.

The appointment will involve responsibility for all aspects of international financial and operational auditing including evaluation of existing methods and the implementation of improvements.

The position will be based at the Group's administrative offices in Burnley, Lancashire, but considerable travel throughout the U.K. and Europe will be involved.

The successful candidate is likely to be in the mid–late twenties with either good professional or previous internal audit experience. Knowledge of one or more European languages would be an advantage.

An attractive salary will be offered, together with the benefits associated with a major Group, including generous assistance with relocation. Prospects for future career development are good.

Applications in confidence with full details of qualifications and experience to: Mr. A. W. Leitch, Finance Director, The Prestige Group Limited, PO Box 15, Colne Road, Burnley, Lancashire, BB11 2AB.

Prestige

Senior Manager for BP Coal
London Based

BP Coal Limited is looking for a senior experienced manager from the coal industry to lead or join their General Management team in London. Duties will involve management of the economic assessment and planning activity, co-ordination of the Company's worldwide production, exploration and project activities and financial administration. Experience of project and investment appraisal within the coal industry is essential.

The person we are looking for will have held a variety of both planning and operational posts at a senior level and should preferably have working experience in the coal industry in Australia, South Africa, U.S.A. or Canada. The requirements of the post will require considerable travel on relatively short visits overseas.

To meet the requirements of this demanding job, you will be expected to possess an academic qualification appropriate to the job requirements and at least 15 years' relevant post-graduate experience.

BP will offer an internationally competitive starting salary and other benefits including a car, non-contributory pension scheme and relocation expenses.

Please apply with full details of qualifications and experience to

BP

The Manager, Central Recruitment,
The British Petroleum Company Limited,
Britannic House, Moor Lane, London EC2Y 9BU.

FINANCIAL CONTROLLER

Surrey — c. £12,500 + car

A quoted property company wishes to appoint a Financial Controller who will also act as Company Secretary. Success in this appointment will quickly lead to a board appointment.

Reporting to the Managing Director the Financial Controller will not only be responsible for accounting both in the UK and abroad but will be expected to advise the Board on financial matters.

Candidates should be chartered accountants preferably in the age range 25-30. Relevant experience is essential and a period in a property company highly desirable. A working knowledge of French will be an asset but is not a prerequisite of the appointment.

Applications quoting Ref FT/80/A and giving brief personal details and an outline career history should be sent in confidence to:—

E&W Ernst & Whinney Management Consultants
11 Doughty Street, London WC1N 2PL

Company Secretary/Financial Director (Designate) Blackburn

CLAYTON GOODFELLOW & CO. LTD., a precision medium to heavy engineering group, wish to appoint an experienced qualified accountant to the position of Financial Director Designate.

The person appointed will be responsible for all the Group Accounting, Company Secretarial functions and financial control systems supported by an experienced accounting team.

Their responsibility will be to the Managing Director and after a successful six to nine months period the candidate will be invited to join the Board.

Record of success and industrial experience, preferably in engineering, is essential, coupled with sound practical experience, in a senior position, of controlling and accounting for engineering contracts, financial and management systems.

The ability to work with colleagues is necessary, also the skill to analyse and summarize presentations to the Board.

The remuneration package includes an appropriately high salary, car, pension and life insurance schemes, B.U.P.A. membership and relocation expenses if appropriate.

Applications in writing to: The Chairman, Clayton Goodfellow & Co. Ltd., Atlas Works, Blackburn, BB2 3DL.

CLAYTON GOODFELLOW & CO LTD

Senior Appointments

PARTNERSHIP

City — £15,000 neg.

Our clients, a very successful City firm, wish to recruit a Chartered Accountant with substantial and varied taxation and general practice experience. Working initially as a senior manager the appointee will look forward to salaried partnership within 18 months and equity participation thereafter.

For further, more detailed, information on this appointment contact Mark Lockett as advisor to the practice.

ACCOUNTANCY PERSONNEL SENIOR APPOINTMENTS
41 London Wall, London EC2M 5TB · 01-588 5105

Accounting Manager

Central London — *c. £11,000*

Our client, the UK subsidiary of a major US Corporation engaged in marketing and distributing its products in Europe, seeks an Accounting Manager for its expanding operations.

Reporting to the Controller, the successful candidate will be responsible for managing the financial and accounting functions including planning, forecasting, budgeting, management reports and information and taxation.

Opportunity exists for a lively, enthusiastic candidate, to make an impact with this compact team. Preference will be given to qualified accountants, aged 28-35, with proven man management experience and with some exposure to DP systems and American reporting requirements.

Applicants, male or female, are invited to write for a personal history form to:
Ken Johnson, Executive Selection Division,
Southwark Towers, 32 London Bridge Street,
London SE1 9SY, quoting reference MCS/3832.

Price Waterhouse Associates

Group Financial Director

A London based property and construction group operating worldwide with a turnover of about £100 million, requires a Financial Director. As a member of the Group Management Committee, which is responsible for all group operations, he/she will be expected to contribute to and influence the plans for successful growth, in addition to accepting overall responsibility for the group financial function.

The Financial Director will be a qualified accountant, preferably a graduate, will have experience of the construction industry, property investment and development, and will have the ability and flair to weld the diverse financial operations within the group.

Applications are invited from successful financial executives aged 35/45, with extensive corporate finance experience, who are prepared for a demanding role in an expanding group. Remuneration will be negotiable.

Please contact, in confidence, Brian Luxton quoting reference 6496.

mh Mervyn Hughes Group
2/3 Cursitor Street, London EC4A 1NE
Management Recruitment Consultants
01-404 5801

CJA RECRUITMENT CONSULTANTS
35 New Broad Street, London EC2M 1NH
Tel: 01-588 3588 or 01-588 3576
Telex No. 887374

A challenging appointment — scope to become Financial Manager in 2 years or to move into another senior position in the UK or Europe

ALPS

MANAGEMENT ACCOUNTANT

CENTRAL LONDON **£8,600 – £10,000**

EXPANDING U.K. SUBSIDIARY - T/O £40 MILLION - OF SUBSTANTIAL U.S. SHIPPING GROUP

Applications are invited from qualified, or part-qualified Accountants (A.C.A., A.C.M.A. or A.C.C.A.), aged 24-28, with a minimum of 18-months' practical experience of industrial/commercial accounting. Reporting to the Financial Manager, the successful candidate will be responsible for the general accounts function, systems implemenation, budgetary control, forecasting and the preparation and analysis of financial reports. Up to 10% away travel is expected. Essential qualities include a commercial outlook, an analytical mind and the ability to communicate effectively at a senior level. Initial salary negotiable £8,600-£10,000, contributory pension scheme, free life assurance, assistance with removal expenses if necessary. Applications in strict confidence, under reference MA 021/FT, to the Managing Director.

ACCOUNTANCY & LEGAL PROFESSIONS SELECTION LIMITED, 35 NEW BROAD STREET, LONDON EC2M 1NH
TELEPHONE: 01-588 3588 or 01-588 3576. TELEX: 887374.

APPOINTMENTS ADVERTISING

RATE £19.50

per single column centimetre

SENIOR FINANCIAL ACCOUNTANT

CITY **£11,000 + P.A.**

Due to expansion of its activities, The Financial Times Group wishes to make a senior appointment to strengthen its accounting function.

A senior Financial Accountant is required, reporting to the Chief Accountant, to assist in all aspects of financial accounting, including the introduction of modern data processing into all areas of the Group's accounting systems and to be responsible for their subsequent management and control.

There will also be specific involvement in the operation of the sales accounting function, the preparation of annual accounts and other related assignments concerned with the development of accounting procedures.

Candidates for this position should be qualified accountants, aged around 30, with good EDP and, ideally, relevant publishing experince and should have the personal qualities necessary to take an active role in management. Please telephone for an application form on 236-9758 or write with full career details to:—

PERSONNEL DEPARTMENT
FINANCIAL TIMES
BRACKEN HOUSE
10 CANNON STREET
LONDON EC4P 4BY

FINANCIAL TIMES
EUROPE'S BUSINESS NEWSPAPER

Funding Manager

Salary £10,371-£11,334
(subject to review)

Welsh Development Agency

The Agency has extensive holdings of industrial property and sites and is undertaking a large scale programme of site development and factory building. To complement the funds that it draws from the exchequer and to help maintain factory expenditure in Wales, the agency is seeking the support of private sector sources. This new post will play an essential role in this activity.

Private sector support is being sought in two ways. The agency will be disposing of some of its existing sites and factories to encourage private development and to raise finance for its own factory building. It is seeking also to involve the private sector as partners in new development.

Applicants should have wide relevant experience and hold an appropriate qualification. A thorough knowledge will be essential of the funding of property development, of the appraisal of schemes and of the marketing of assets.

Salary will be on a scale now under review from £10,371 to £11,334 according to experience. There is a contributory pension scheme and a car users allowance is paid. Generous assistance will be given towards relocation expenses.

Please write or telephone for an application form to be returned by 9th May 1980 to:

Personnel Department (Ref RG508FT),
Welsh Development Agency,
Treforest Industrial Estate, Pontypridd,
Mid Glamorgan CF37 5UT
Telephone Treforest (044 385) 3571.

Assistant Manager Banking

c. £20,000 tax free

United Arab Emirates

Our client, a rapidly expanding locally incorporated Commercial Bank, now requires an Assistant Manager for its main branch in Abu Dhabi which has a lending portfolio of around £100 million.

Candidates, aged 28–40, will ideally be Associates of the Institute of Bankers and will have had formal credit training, possibly with an American bank. Some knowledge of the Middle East, or of working overseas, would clearly be an advantage.

The rewards are exceptional and will include a negotiable salary of around £20,000 tax free, car allowance, free married furnished accommodation, six weeks annual leave, air fares each year and free medical treatment.

Please write in confidence, initially with brief details, quoting reference 1015 to John Anderson, as Advisor to the company, at:

John Anderson & Associates
Norfolk House, Smallbrook Queensway, Birmingham B5 4LJ.

MANAGER BUDGET AND REPORTS - NIGERIA

The Commonwealth Development Corporation is an organisation actively engaged in the promotion, operation and management of wide-ranging commercial enterprises in the world's developing areas including major agricultural estates and small holder projects.

One of the projects for which the Corporation is providing management services is the Savannah Sugar Company at Numan in the Gongola State of Nigeria.

The Corporation now wishes to recruit a Manager, Budget and Reports who will report to the Financial Controller at the project. The duties of the post will include responsibility for the preparation of annual capital and operating budgets, the preparation of monthly cost accounts and comparative reporting against budget and job costing in all areas of the company.

This post calls for a candidate with initiative and constructive thinking who has the ability to achieve effective budget control at all levels.

Applicants are invited from qualified candidates with not less than 5 years commercial experience. Previous overseas experience would be helpful.

The overseas remuneration and benefits package is generous and competitive. Other benefits include a non-contributory pension scheme, BUPA membership and education assistance.

Applicants should write giving full personal particulars and details of qualifications and experience to:

Miss J. Powell,
Personnel Officer
(Overseas Recruitment),
33 Hill Street, London,
W1A 3AR quoting
Serial Number 2060/4.

CDC
Commonwealth Development Corporation

Hoggett Bowers

Executive Selection Consultants

BIRMINGHAM, CARDIFF, GLASGOW, LEEDS, LONDON, MANCHESTER, NEWCASTLE and SHEFFIELD

Public Relations Officer (Aerospace)

Midlands, c. £9,000+car+bonus

This is a newly created position within one of the major accessory manufacturers supplying the aircraft and defence industries. Reporting to the Marketing Manager, the successful applicant will be responsible for creating the most beneficial environment for the Company's operation, through planned communications and by maintaining its image within the Industry. Candidates, aged 30-40, should possess a University degree, or equivalent, and be able to demonstrate a successful record of Industrial Public Relations. Ideally, this should have been gained within the Aerospace Industry, but applicants with a personal and knowledgeable interest of aircraft and their manufacture will be considered. The generous remuneration package includes a share bonus scheme and relocation assistance is available where necessary.

R.R. Varley, Ref: 35112/FT. Male or female candidates should telephone in confidence for a Personal History Form to: **BIRMINGHAM: 021-622 2961,** *Albany House, Hurst Street, B5 4BD.*

Investment Administration and Research

This is a new post in the pension fund investment department of one of Britain's largest industrial groups. The department manages total current assets of £270m.

The post carries responsibility for the secretarial aspects of the investment management process, the administration of the department, and the basic measurement and analysis of investment performance.

Research will be directed at the improvement of investment management and performance measurement techniques. It will incorporate the investigation of rapidly developing knowledge and skills throughout the industry, and close liaison with industry experts and advisors.

The essential requirements are a degree or professional qualification in a numerate discipline; experience in business administration; and the capacity for complex research in a relatively new, high-growth and increasingly sophisticated industry. Age is flexible between 28-40.

Salary £10-12,000. Central London location.

Please write in strict confidence with full personal and career details, quoting ref. 737/FT, to:—

Philip Smith
Manpower Consultants
85-87 Jermyn Street, London SW1Y 6JD

GILT-EDGED ECONOMIST

A firm of

LONDON STOCKBROKERS

specialising in the gilt-edged market, requires a

SENIOR ECONOMIST

Candidates, ideally aged 27-35, must have a good economics degree and preferably hold a postgraduate qualification. The post calls for a sound knowledge of monetary economics and the U.K. financial system, while experience of the gilt-edged market would be an advantage.

Remuneration, by salary and bonus, will be competitive.

Applications, which will be treated in confidence, should contain relevant details of qualifications and career to date.

Please write to Box A.7177, Financial Times, 10 Cannon Street, EC4P 4BY.

Financial Controller

c £12,000 + car

Marriott In-Flite Services Limited, a rapidly expanding UK subsidiary of Marriott Corporation, one of the world's leading industrial catering organisations, wish to recruit a Financial Controller who will be located at the Company's UK Head Office at Heathrow.

The Financial Controller will report to the UK General Manager and functionally to the European Controller and be responsible for all aspects of the finance and accounting function for the Company.

The successful candidate will be a qualified accountant with at least five years post qualification experience in a responsible position preferably employing computerised systems.

This position provides an opportunity for promotion within the Corporation. A commencing salary of £12,000 is envisaged and a company car will be provided together with other benefits.

Candidates, male or female, can make application by quoting reference MCS/7008 and requesting a personal history form from Michael R. Andrews, Executive Selection Division, Southwark Towers, 32 London Bridge Street, London SE1 9SY.

Price Waterhouse Associates

GROUP FINANCIAL CONTROLLER

Berkshire **c. £11,000 + car**

Our client is a large privately owned group of companies specialising in the fabrication, construction and world wide export of bridging, together with the sale and hire of non-mechanical plant to the construction industry. The Head Office is located at Twyford with manufacturing facilities in the North of England and in Wales.

The Group Financial Controller will report directly to the Chairman. Prime responsibilities are the development and co-ordination of management accounts, the consolidation of statutory accounts and the maintenance of cash controls involving close liaison with the group's auditors on accounting and taxation matters.

Candidates must be qualified accountants, in the age range 28-35. Two to three years experience in a manufacturing industry is highly desirable. The prospects for career progression in this expanding group are excellent.

Application quoting ref FT/100/A giving brief personal details and an outline career history should be sent in confidence to: D W E Apps:—

E&W **Ernst & Whinney** Management Consultants
11 Doughty Street, London WC1N 2PL.

CAMPBELL NEILL & CO.

INVESTMENT ANALYST

An Analyst is required to join our Research Department. The successful applicant should ideally be able to produce evidence of a thorough analytical training, supported by an ability to produce and market high quality work for institutional investors. A record featuring a sector specialisation would be particularly suitable, and a professional or academic qualification is preferred although this is not essential. Terms will be competitive in line with age and experience, and all applications will be treated in strictest confidence.

Initially, please write or telephone to the following, giving a brief outline of past career:

James C. Hardie,
MESSRS. CAMPBELL NEILL & CO.,
Stock Exchange House,
69 St. Georges Place,
Glasgow G2 1JN.
Tel: 041-248 6271

هكذا من الأصل

Treasury Operations Manager

Age 24-29

Middlesex c.£10,500

A young and ambitious accountant or graduate with a minimum of 2 years experience of foreign exchange operations is sought for this new position within the Finance Department of a major British Multinational.

The man or woman appointed will be responsible to the Group Finance Manager for the day to day administration of H.Q. treasury operations and in addition will be expected to be capable of making an immediate contribution to the establishment and future development of the Group's centralised F.X. exposure management programme.

This management appointment is seen by our client as a first class base on which to gain valuable experience in the treasury field.

Please write in confidence giving details of career to date and salaries earned, stating the name of any company to which your application should not be forwarded, to:

E.G. Phillips, Account Manager (Ref 538).

Whites

Whites Recruitment Limited
72 Fleet Street, London EC4Y 1JS
Offices: Bristol, Glasgow, Leeds, London, Manchester and Wolverhampton.

INTERNATIONAL FRENCH BANK

seeks

SENIOR ACCOUNT OFFICER

to service a group of existing customers and to assist in the Bank's marketing in the U.K. Must have a sound knowledge of banking, including finance of trade and foreign exchange. Should be well educated and have a flair for customer relationships. Previous marketing experience would be an advantage. The successful applicant could, if desired, be considered for an overseas post in due course.

SALARY NEGOTIABLE PLUS BENEFITS

Send c.v. to Box A.7119, Financial Times 10 Cannon Street, EC4P 4BY

NEWLY QUALIFIED

Brighton c£8000

The Accountant will be responsible for a variety of functions which will provide an excellent opportunity to further develop his or her commercial ability. Reporting to and working closely with the Financial Controller, he or she will prepare accounts and management information, cash and capital forecasts and will conduct re-budgeting exercises together with other ad hoc projects. This is a key position which requires initiative, adaptability and demands a positive contribution to the business.

Owned by Collins, Heinemann and Secker & Warburg, we are the UK's newest book club operation. As a fast growing company our aim is to use the most up-to-date business methods.

We are seeking a newly qualified ACMA to work in our new centrally located Brighton offices.

Please write to: Catriona Munro, Nationwide Book Service, 21-22 Old Steine, Brighton BN1U.

Nationwide Book Service

LAURIE, MILBANK & CO.

INTERNATIONAL ECONOMIST

Our recently formed International Department requires an Economist to assist in advising our Overseas Clients.

Ideally, candidates will be Graduates, aged between 24 and 35 and have a minimum of two years previous experience with a broking firm or a financial institution.

Salary is negotiable according to experience and qualifications. Please write giving full C.V. to:—

P. J. C. Ratcliffe,
Portland House,
72/73 Basinghall Street,
London EC2V 5DP.

A LEADING FIRM OF STOCKBROKERS ACTIVE IN INTERNATIONAL MARKETS REQUIRE

AUTHORISED CLERK

With a minimum of two years' house experience. The appointment will carry a competitive remuneration and there is a non-contributory pension and life assurance scheme. Please write giving age and full details of experience to Box A7120, Financial Times, 10 Cannon Street, EC4P 4BY.

STOCKBROKING

We require a bright young person to help our Associate Business to run smoothly. We are attached to a well established firm and have an expanding business but now require someone initially to help with our records and administrative back-up, but eventually to become more involved in advising our broadly based clientele. Ideally the successful applicant will have some experience of S.E. procedures plus potential business of his/her own.
We will consider anyone with initiative and enthusiasm and salary is by negotiation;

PHONE 01-377 7521

Finalists or newly qualified Accountants

Maidenhead-Berks

Over the past 20 years Black and Decker has achieved unrivalled leadership and market domination in its principle product areas in the D.I.Y. and industrial fields.

The Finance Function is a prime development area for future top management within the company and we are looking for men and women in their twenties who are studying or have passed a recognised accountancy qualification and can demonstrate the confidence to communicate with senior management and accept both responsibility and accountability.

We now wish to fill three specific vacancies:

Financial and Management Accountant

c.£10,000

Managing a staff of 5, you will be responsible for the production of all monthly and statutory accounts to very tight deadlines. Recent expansion has necessitated more complex financial accounting requirements with computerised systems being employed extensively.

Asset Controller

c.£8,500

Responsible for preparation of capital budgets and the appraisal and subsequent control of capital projects using a newly introduced computer system.

Cash Manager

c.£7,500

Responsible for banking activities, fund flow, foreign exchange requirements and managing a staff of ten. Additionally you will be involved with the development of multi-lateral netting between subsidiaries and have responsibility for office services. Cash management or banking experience is more important than formal qualifications.

Black & Decker

Please write giving career details including salary and job progression to:
J. L. Waller, Black and Decker Limited, Cannon Lane, Maidenhead, Berks SL6 3PD. Tel: Littlewick Green (062 882) 2130.

Financial Accountant

Oil and Gas

As part of the French state owned oil company, Elf Aquitaine UK is responsible for the Group's financial, technical and operational interests on the UK Continental Shelf. This includes the management of existing exploration and production investments and revenues as well as participation in further exploration activities.

In addition to the analysis of joint venture reports and the control of all daily transactions, a significant part of the Financial Accountant's function will involve special projects, often innovatory and centering primarily around the development of our computer-based accounting systems. These are derived directly from the French Accounting System ("The Plan Comptable").

A Chartered Accountant, you should ideally have some post qualification experience in the profession. You should have a thorough grasp of practical bookkeeping and an active interest in computer accounting. Above all, you need to be able to contribute effort and ideas in this interesting phase of the Department's development. And clearly, an 'O' level in French would be an asset.

You will receive an attractive salary and a wide range of benefits which reflect the competitive industry we are in.

Please write or telephone for an application form to Hilary Jeanes, Personnel Assistant, Elf Aquitaine UK, Knightsbridge House, 197 Knightsbridge, London, SW7 1RZ.
Tel: 01-589 4588.

elf

REUTERS REUTERS REUTERS

Market Manager

Shipping

Reuters supplies a range of specialised computer based real-time information, news and dealing services to the world shipping, banking, broking and commodity markets through one of the largest international computerised communications networks.

We are launching a new international service for charterers, brokers and owners which has created a management opening in the marketing department.

The market manager, age under 40, will be responsible for ensuring the successful launch and future development of the service. He/she should have international contacts and an in-depth knowledge of the chartering and broking markets, ideally relating to oil tankers.

We offer an interesting and exciting international career with opportunities for further promotion in an exceptional growth business. An excellent salary is offered plus company car.

For an informal discussion telephone Jack Wigan on 01-353 6060 or write to:—

Recruitment Manager
REUTERS
85 Fleet Street London EC4
This position is open to men and women.

REUTERS REUTERS REUTERS

FINANCIAL DIRECTOR

Brazil c.£20,000

S.A. Frigorifico Anglo, a wholly-owned subsidiary of The Union International Company Limited, with widespread activities in Brazil in all aspects of cattle producing and meat processing, has a vacancy for a Financial Director.

The successful candidate will have had all-round accounting experience, including financial accounts, operating returns and budgets in a large-scale manufacturing business, and is unlikely to be under 40. The position will require a rapid familiarisation with local taxation and accounting legislation. He must also hold a recognised accountancy qualification.

This position is based at the Company's Head Office in Sao Paulo and will be offered on the basis of two year tours of duty followed by home leave. Medical, education and housing assistance is available.

Further details and an application form are available from:

The Staff Manager (ADC.13),
The Union International Co. Ltd.,
14 West Smithfield,
London EC1A 9JN.

Credit Supervisor

J. I. Case is a multi-national organisation manufacturing and marketing a wide range of construction, earth-moving and agricultural equipment. The transfer of our European Headquarters from the Netherlands to Weybridge in Surrey, coupled with the reorganisation of our European Finance Department means that we are looking for a Credit Supervisor to take up a senior management appointment.

As the activities of the Finance Department are concerned mainly with wholesale and retail financing and long and short-term borrowing for our European subsidiaries, this position offers wide financial management experience and the opportunity for European travel. Your main responsibility would be to review and evaluate the effectiveness of the credit operations within the Case European manufacturing and finance subsidiaries, marketing companies, and company stores with the view to improving our procedures and systems. Financial experience in a multi-national marketing organisation is important and we should like to find someone who understands the funding aspects of trade credit.

The ability to devise and implement training programmes for Credit Managers would also be a distinct advantage.

The salary offered along with potential career prospects will attract financial managers looking for an opportunity to prove they have the ability to meet the challenge of a growing organisation with world-wide commitments.

We offer a generous benefits package which includes (in appropriate cases) relocation expenses.

For further details please write giving full personal and career particulars to Mrs M. C. Husby, Manager, Employee Relations, J. I. Case (Europe) Inc., Case House, 45/47 Monument Hill, Weybridge, Surrey, KT13 8RL.

case

Hoggett Bowers

Executive Selection Consultants

BIRMINGHAM, CARDIFF, GLASGOW, LEEDS, LONDON, MANCHESTER, NEWCASTLE, NOTTINGHAM and SHEFFIELD

General Manager/ Financial Controller

Director Designate — c. 18 months
Leicester to £12,000 + bonus + car

The Company T/O c.£2m is a leader in the field of commission dyeing and finishing fabrics at the top end of the market. Apart from being an excellent entry into a long established and still totally independent company, noted for commitment to advanced technology, planned investment and a sound financial base, the opportunity embraces a range of duties outside the norm - total involvement is the name of the game. The need is for a professional accountant, at least 28 years old, who has not only got a proven track record in finance planning and control, but also has the skills, vision and leadership qualities necessary to manage and further develop the personnel, industrial relations, purchasing, material control, transport, distribution and production related support functions. A comprehensive remuneration package will be tailored to meet individual needs.

D.N. Clohessy, Ref: 23069/FT. Male or female candidates should *telephone* in confidence for a Personal History Form to:
LONDON: 01-734 6852, *Sutherland House, 5/6 Argyll Street, W1E 6EZ.*

Property Investment

HEAD OF PROPERTY TEAM

(DESIGNATE)

c. £15,000 plus benefits

Portfolio expansion and succession planning in a leading Life Office have combined to create an exceptional career opportunity in property investment. Although initially the job emphasis would be on increasing our property portfolio by the identification, evaluation and negotiation of property investment propositions for recommendation to the Board, the successful candidate would be expected to take full charge of our property operations within a period of two years.

Applications are invited from professionally qualified persons, probably surveyors, with extensive experience of property investment gained in a financial institution or property company. Personal qualities are important in this key role and we require a person with drive, enterprise, imagination and investment judgement. Although age is not critical, preference would be given to candidates (male or female) in the age range 35-40.

Commencing salary negotiable according to qualifications and experience and benefits include staff house purchase scheme and non-contributory pension scheme.

All applications will be treated in the strictest confidence and should be made in writing to The Staff Manager, The Scottish Provident Institution, 6 St Andrew Square, Edinburgh. EH2 2YA.

SCOTTISH PROVIDENT

Loans Administration

INTERNATIONAL ENERGY BANK LIMITED

wishes to appoint a Senior Loans Administration Officer. This position, which is of Assistant Manager status, reports to the Vice President, Credit, and the main responsibilities will include the supervision of the day to day activities of the Loans Administration Department, which is also responsible for the provision of Management information and statistics.

The successful candidate, ideally aged between 30 and 35, will have a thorough knowledge of all aspects of Loans Administration and preferably have passed the Institute of Bankers examinations. Salary will be negotiable, depending on age and experience.

Please write in complete confidence to:—
David Patten, Manager, Personnel and Administration,
International Energy Bank Limited, Winchester House,
100 Old Broad Street, London EC2M 1BE.

LOMBARD

Our future and the fund managers

BY ANTHONY HARRIS

IN THE week after Easter I raised the question of how our future is likely to be determined if and when the Government has achieved its objective of eliminating the need to sell gilts, and incidentally imposing a boa-constrictor-like squeeze on corporate finances in the process. It looks as if at the end of the story both the need for "outside" finance and the potential supply of it will be much greater; the market will allocate capital.

Decision makers

In theory this is exactly what the Government is aiming to achieve; but a market is not just an abstract concept. It is a collection of people and organisations, with characteristic behaviour. The capital market consists overwhelmingly on the supply side of fund managers. For years now these people have provided the capital to finance excessive Government borrowing, and on top of that they have built up a holding of about three quarters of UK equity capital, largely by buying out personal holders. These are the people who will take the substantive decisions about future investment.

Are they the right people? On the strength of a single chart, I suggested that peshaps they are not. The chart showed simply that they tend to buy overwhelmingly at the top of the market. This suggests that on timing, at least, fund managers show little sign of the independent judgment and liking for risk which may be needed in the future.

This apparently simple-minded observation has aroused an interesting response. One notable fact is that while a number of fund managers telephoned their brokers to protest at being portrayed as mugs in these columns, not one of them sent a rejoinder to me. They left that to the brokers. The second notable fact is that some of the evidence offered for the defence actually reinforces the point I was trying to make.

The most striking example has been provided by Mr. Robin Griffiths of Carr Sebag, who drew my attention to his researches on what he calls the equity demand residue (EDR)—the sum left over in institutional hands after meeting the Government's funding requirements. As he shows, the turning points in the equity market have coincided with turning points in the EDR with remarkable reliability, though the actual scale of the swings on each side are not closely rleated.

Mr. Griffiths concludes that since fund managers ar enot in control of the size of the residue, it is unfair to blame them for the results. The market goes up when they have cash to spend, and down when they haven't—or not enough cash, that is, to take up the shares offered each year by personal holders. The correct conclusion, surely, is that fund managers are fairly passive creatures. They invest when the money becomes available—and are encouraged to do so by the rise in values caused by everyone else behaving in the same way. I would only be impressed by the independent judgement of fund managers if the turning points in the curves did not coincide so neatly — if managers were readier to hold back, or even to antiicpate.

Another defene offere dwas that for part of the period fund anagers ere quite largely unit trust managers, whose own inflow reflected the judgement of private investors. If they were mugs, they were mugs by proxy.

This raises an interesting point about unit trusts. Do unitholders want simply to buy a basket of securities, or do they want to buy judgment on timing as well as share selection?

Playing safe

However, these details are really beside the point. The point is simply that our institutionalised market was not actually designed for the job it may now be called on to do. A pension fund manager is not in the business of taking risks; he is paid to play safe (and the safety performance itself is somewhat spoilt by bad timing). He is often allowed too little independence, and the pay rates in the industry do not suggest that the funds are hogging the best talent.

Whether the problem will be solved by changing the tax rules to reduce the role of the funds, or by the growth of investment trusts and the like to take the risky decision, or in some other way, I do not know; but I am still sure that there is a problem to be solved.

Holes in the European steel regulations

BUSINESS AND THE COURTS

BY A. H. HERMANN, Legal Correspondent

LEADING French and German steelmakers were found guilty of price-fixing and market sharing by the European Commission and were fined a total of £600,000 on April 2. The European Commission itself, of course, operates a huge quota and price-fixing cartel, started as the Davignon Plan in 1977, but does not like it when the steel companies try to improve on it by their own private cartels. "Such illegitimate regulation of the market by producers who make their own rules is tantamount to usurpation of the Commission's powers," said the Commission in one of its Press releases.

Confirmed

These fines for over-pricing were preceded, on March 18, by the European Court's judgment* confirming, with only small adjustments of fines, a series of decisions where the Commission imposed fines on French, German and Italian companies for selling steel reinforcing rods for concrete under the price fixed by a general decision of the Commission of May 4, 1977, No. 962/77 ECSC.

Many people have views on the desirability or otherwise of governmental or inter-governmental regulation of industry. Very few, however, have an opportunity of seeing how the European Commission performs its regulatory functions. The coal and steel industry is notoriously secretive. For this reason the appeal of the steelmakers provided the European Court with a unique opportunity of having a look at the reality of the coal and steel regulations, its real motives and its real effects. Despite a 255-page judgment the court has merely scratched the surface, but even so the picture which emerges is that of grandiose measures, badly thought out, largely ineffective and open to criticism of partiality for certain branches of the industry and of discrimination against others.

Nine Italian, two German, and one French company appealed to the court, the appeal being directed in the first instance against the validity of the general decision which fixed minimum prices for reinforcement rods. They claim that the decision was adopted unlawfully; that it was contrary to the objectives of the Treaty of Paris which formed the European Coal and Steel Community (ECSC), and that it was full of holes, so that it was only partially effective and had a widely different impact on various European steelmakers, helping some and threatening the existence of others.

The court was kind to the Commission, and said it could not do any better because it did not have the power to make its measures really effective and fair. It approved the decision fixing minimum prices without answering the only pertinent question, namely whether the Commission should have attempted such a far-reaching project with the insufficient means at its disposal.

The power to fix prices which the Commission has, under Article 61 of the Treaty of Paris, can be applied only to steel producers and their own distributing subsidiaries. The Commission could also have extended the minimum prices to the independent traders under Article 95, but had done so only after a lengthy delay so that for nine months the market was subject to two different sets of rules.

These independent traders usually keep stocks sufficient for two months' supplies, and in the initial period, therefore, were well able to sell old stock under the minimum price at which producers were supposed to supply. The independent traders control 85 per cent of the market, and, as the court established, the Commission failed to take into account that these traders would sell at least part of their stocks at lower prices.

The court did not accept as proven another highly plausible accusation. This was advanced by Maxhuette, one of the appellants, who argued that by leaving the trade free to trade at lower prices, the minimum price decision created a great advantage for large, vertically integrated enterprises controlling their own distribution network. These enterprises could secure a greater share of the market by selling to their subsidiaries at the minimum price, and allowing these subsidiaries to sell at a loss, to be compensated later from central funds. Such an assertion is obviously difficult to prove.

Weapon

In general, however, the Commission admitted that the exemption of the trade from the obligation to observe minimum prices provided customers with a weapon which the producers found difficult to resist. For this reason the Commission made another decision, on December 28, 1977, which extended the regulation to the trade.

While the Commission could include the trade in the price regulation from the beginning, and did so after nine months, it had no power to regulate the prices of imported steel, or at least feared to do so, lest community exports should be exposed to retaliatory measures. The Commission's defence was that it had no power to stop imports directly, and did adopt recommendations designed to make imports more difficult.

From this the court concluded that the Commission had done all that it could in view of the fact that the community exports more steel than its imports. It could try to restrict imports only insofar as this did not threaten exports, but the court admitted that in the end the unrestricted possibility to import at lower prices represented a gap in the price regulation.

The most serious accusation made by the 12 steelmakers concerned the motives of the Commission. They insisted that the Commission fixed minimum prices under false pretences. It pretended that the aim of the regulation was to avoid destructive competition; in reality, said the appellants, the decision was made in order to protect the large steelmakers which were producing reinforcing rods at a loss, and to help them to retain their market share against the competition of the smaller enterprises which were able to operate in this market at a profit.

The Italian companies, operating in the region of Brescia, went as far as to say that the decision was, in fact, a retaliation by the Commission for the refusal of these efficient enterprises to follow the Commission's request that they should reduce their volume of production voluntarily. The court, however, thought the different consequences for the small and medium-sized enterprises on the one hand and for the large groups on the other hand, were unavoidable and did not result from hostility towards particular enterprises.

Solidarity

The guiding principle of the Treaty of Paris, said the court, was solidarity of the industry. Individual enterprises had to accept sacrifices for the sake of all. Though it was possible that the gaps in the regulation had increased these sacrifices beyond those which were otherwise necessary, this did not change the court's opinion that the fixing of minimum prices was neither an excessive nor an unbearable intervention by the Commission.

The court did not explain why such grave shortcomings should not be taken into account when reviewing the regulatory acts of the Commission.

*European Court, Luxembourg Joint Cases 154, 205, 206, 226, 228, 263, 264/78 and 31, 39, 83 and 85/79 Judgment of March 18, 1980, unreported.

Another Thousand Guineas trial

RACING

BY DOMINIC WIGAN

BY ABOUT 3.45 pm today we well have a home-trained representative clear favourite for the One Thousand Guineas. For 11 fillies, including Evita and Battlewind, will have been put through their paces in the Ladbroke Nell Gwynne Stakes.

It is difficult to know what to make of Ron Sheather's Battlewind. A daughter of Battle Princess (successful in just two of her 30 races), Battlewind's two juvenile efforts suggested that a modest maiden event might come here way this year but that little more could be hoped for. However, her recent display in Salisbury's One Thousand Guineas Trial has left her trainer and one or two uncommitted judges of the opinion that Group One success over the Rowley Mile is not beyond Battlewind.

Racing on heavy ground which, according to Sheather, "she hates," Battlewind spread-eagled her opponents in the closing stages of the Salisbury race, to win, going away, by 8 lengths from Leave the Floor.

Evita, not considered as well forward as stable companion Saison, seems sure to go well, but in view of her anticipated odds Battlewind each way may be the answer.

There are few more intriguing propositions than a maiden ridden by Lester Piggott for his close friend and former rival Scobie Breasley, and many eyes will be on Varuna in the Rowley Maiden Stakes. Although Mr. Ravi Tikkoo's Luthier chestnut failed to oblige in six attempts last season, he ran a number of promising races

Varuna will make his presence felt this afternoon, as will Soldier, a once-raced Sun Prince colt trained for Mrs. Mary Marshall by John Dunlop. This Arundel colt showed there is a race in prospect for him with an encouraging display on the July course. He is narrowly preferred to Piggott's mount.

Whatever his fate with the Breasly three-qear-old, Piggott is likely to have one winner, for Earmark (beaten only three lengths in the Cornwallis) is weighted to win the Ladbrokes Boldboy Sprint.

NEWMARKET

2.00—Swan Princess
2.30—Brave the Reef*
3.00—Earmark***
3.30—Battlewind
4.05—Pelerin**
4.35—Soldier

TV Radio

BBC 1

6.40-7.55 am Open University (uhf only). 12.45 pm Midday News. 1.00 Pebble Mill at One. 1.45 Mr. Benn and the Cook. 3.53 Regional News for England (except London). 3.55 Play School. 4.20 The All New Popeye Show. 4.40 Graham's Gang. 5.05 John Craven's Newsround. 5.10 Blue Peter.

5.40 Evening News.
5.55 Nationwide (London and South-East).
6.20 Nationwide.
6.50 Young Musician of the Year: Finals of wind and brass classes.
7.25 Top of the Pops.
8.05 Taxi: American comedy.
8.30 James Burke: The Real Thing.
9.00 Nine O'Clock News.
9.25 Play for Today: The Executioner by Lionel Goldstein.
10.45 Question Time with Jock Bruce-Gardyne.
11.40 News Headlines.
11.42 The Sky at Night.
12.10 am Weather / Regional News.

All Regional programmes as BBC 1 except as follows:—

Cymru/Wales—5.55-6.20 pm Wales Today. 6.20 Heddiw. 12.10 am News and Weather for Wales.

Scotland—12.40-12.45 pm Scottish News. 5.55-6.20 Reporting Scotland. 10.45 Current Account. 11.15 All Clouds are Clocks. 12.00 am News and Weather for Scotland.

Northern Ireland—3.53-5.55 pm Northern Ireland News. 5.55 Scene Around Six. 12.10 am News and Weather for Northern Ireland.

England—5.55-6.20 pm Look East (Norwich); Look North (Leeds, Newcastle); Look Northwest (Manchester); Midlands Today (Birmingham); Nationwide (London and South East); Points West (Bristol); South Today (Southampton); Spotlight South West (Plymouth).

BBC 2

6.40-7.55 am Open University.
11.00 Play School.
4.50 pm Open University.
6.55 Now and Then.
7.20 Mid-Evening News.
7.30 Newsweek: Zimbabwe.
8.05 In The Making: Robert Bates, landscape artist.
8.25 One Man and his Dog: Sheepdog Championship.
9.00 A Question of Guilt.
9.30 Man Alive: Gas from North Sea rigs.
10.20 Town . . . Town: Rugby league football.
11.30 Work and Leisure.

LONDON

9.30 am Haiti. 9.55 Spiderman. 10.15 Canada Five Portraits. 11.05 Boney. 11.55 The Bubblies. 12.00 pm Gammon and Spinach. 12.10 Stepping Stones. 12.30 The Sullivans. 1.00 News at One. 1.20 Thames News. 1.30 Together. 2.00 After Noon Plus. 2.25 Midweek Racing from Newmarket. 3.45 Looks Familiar with Denis Norden, Stanley Holloway, Jessie Matthews and Arthur Schwartz. 4.15 Little House on the Prairie. 5.15 Selwyn.

5.45 News.
6.00 Thames News.
6.25 Help.
6.35 Please Sir: starring John Alderton and Deryck Guyler.
8.30 TV Eye.
9.00 The Nesbitts are Coming.
9.30 Shelley.
10.00 News at Ten.
10.30 Thames Report: "The Casino War."
11.00 Lou Grant.
12.00 am What the Papers Say.
12.15 Close: Robert Rietty with readings for Passover.

All ITN regions as London except at the following times:—

ANGLIA

9.30 am Cardboard Cavalier. 11.05 Country Comes West. 11.30 The Electric Theatre Show. 1.25 pm Anglia News. 2.00 Houseparty. 4.15 The Bubblies. 4.25 Rocket Robin Hood. 4.45 The Next Week Show. 5.15 Emmerdale Farm. 6.00 About Anglia. 6.20 Arena. 6.35 Crossroads. 7.00 TV Movie: The Gun And The Pulpit. 10.30 International Darts Matchplay. 11.00 Lukes Kingdom. 12.00 Themes.

ATV

9.30 am The Addams Family. 9.55 How To Survive in an Occupied Country. 10.20 Morning Cinema: "State Secret," starring Douglas Fairbanks Jnr. and Glynis Johns. 12.30 pm Gardening Today. 1.20 ATV Newsdesk. 4.15 Windows. 4.20 Fangface. 4.50 Salvage 1: Bugatti Treasure. 6.00 ATV Today. 6.35 Crossroads. 7.00 Emmerdale Farm. 7.30 Charlie's Angels. 10.30 Format V. 11.10 ATV Newsdesk. 11.15 Kate Loves A Mystery.

BORDER

9.30 am Sesame Street. 10.30 Wildlife Cinema. 11.00 Cartoon Time. 11.05 Country Comes West. 11.30 Electric Theatre Show. 1.20 pm Border News. 2.00 oHuseparty. 4.15 Thursday Matinee: "All for Mary." 6.00 Lookaround Thursday. 6.35 Crossroads. 7.00 Emmerdale Farm. 7.30 Hawaii Five-O. 10.00 News and Border Weather. 10.30 Soap. 11.00 The Mackenzie Affair. 12.00 Barney Miller. 12.30 am Border News Summary.

GRAMPIAN

9.25 am First Thing. 9.30 The Beachcombers. 9.55 Search for the Persian Royal Road. 10.40 George Hamilton IV. 11.05 Country Comes West. 11.30 The Electric Theatre Show. 1.20 pm North News. 4.15 Unaccustomed As I Am . . . 6.00 North Tonight and area Weather. 6.35 Crossroads. 7.00 You're Only Young Twice. 7.30 Charlie's Angels. 10.30 Superstar Profile: "Liza Minelli." 11.00 Lukes Kingdom. 11.55 Soap. 12.25 am Reflections. 12.30 North Headlines.

GRANADA

9.30 am Sesame Street. 10.30 A Place To Live. 10.45 The Lost Islands. 11.10 The Stationary Ark. 11.35 The Flintstones. 1.20 pm Granada Reports. 4.15 Salvage 1. 5.15 Bailey's Bird. 6.00 Granada Reports. 6.30 Emmerdale Farm. 7.00 Charlie's Angels. 8.00 George and Mildred. 10.30 Ways of Loving. 11.15 Hannix. 12.10 am What The Papers Say.

HTV

9.30 am Beachcombers. 9.55 Survival. 10.20 The Lost Islands. 10.45 Carnival Of Animals. 11.05 Country Comes West. 11.30 The Electric Theatre Show. 1.20 pm Report West Headlines. 3.45 Food, Wine and Friends. 4.15 Spiderman. 4.45 Wyatt's Place. 5.15 Jobline Newsdesk. 5.20 Crossroads. 6.00 Report West. 7.00 Emmerdale Farm. 7.30 The Incredible Hulk. 10.00 News followed by Report West Headlines. 10.35 Gallery. 11.05 Luke's Kingdom.

HTV Cymru/Wales—As HTV West/HTV General Service except: 12.00-12.10 pm Ffalemalam. 1.20-1.25 Penawdau Newyddion Y Dydd. 1.25-1.30 Report Wales Headlines. 4.45-5.15 Sêr. 5.15-5.20 Cartoontime. 6.00-6.15 Y Dydd. 6.15-6.30 Report Wales. 6.30-7.00 Sports Arena. 10.00-10.35 News followed by Report Wales Headlines. 10.35-11.05 The English Garden.

SCOTTISH

9.30 am Adventure World of Sir Edmund Hillary. 9.55 Sixty Incredible Years. 10.45 Lumberjack Games. 11.05 Country Comes West. 11.30 The Stationary Ark. 12.30 pm Gardening Today. 1.20 News Headlines and weather report. 4.15 Unaccustomed As I Am. 5.15 Tales of Crime 5.20 Crossroads. 6.00 Scotland Today. 6.30 Report. 7.00 Take The High Road. 7.30 The Incredible Hulk. 10.00 News At Ten and Scottish News. 10.30 Preview: Home Front. 11.00 Wheels. 11.30 Late Call. 11.35 Paris, starring James Earl Jones, Lee Chamberlain.

SOUTHERN

9.30 am Call It Macaroni. 9.55 Dynomutt: The Do Wonder. 10.25 White Feather. 1.20 pm Southern News. 2.00 Houseparty. 4.15 Tarzan. 5.10 Cartoon Time. 5.20 Crossroads. 6.00 Day By Day. 6.30 University Challenge. 7.00 Emmerdale Farm. 7.30 A Man Called Sloane. 10.30 Southern News Extra. 10.35 People Rule! 11.05 Won't Get Fooled Again? 11.50 What The Papers Say. 12.10 am Weather Forecast followed by A Roof Over Your Head.

TYNE TEES

9.20 am The Good Word followed by North East News Headlines. 9.30 Mystery Island. 9.55 The Nature of Things. 10.55 The Beatles. 11.05 Country Comes West. 11.30 Electric Theatre Show. 1.20 pm North East News and Lookaround. 4.15 The Lost Islands. 4.45 The Life and Times of Grizzly Adams. 6.00 North East News. 6.02 Crossroads. 6.25 Northern Life. 7.00 Emmerdale Farm. 7.30 The Streets of San Francisco. 10.30 Northern Scene. 11.15 North East News. 11.20 Soap. 11.50 Tandarra. 12.50 am Epilogue.

WESTWARD

9.25 am The Beatles. 9.50 Chopper Squad. 10.40 Dynomutt The Dog Wonder. 11.05 Country Comes West. 11.30 The Electric Theatre Show. 1.20 pm Westward News Headlines. 4.15 Gus Honeybun's Birthdays. 5.15 Emmerdale Farm. 6.00 Westward Diary. 6.35 Crossroads. 7.00 Westward Report. 7.30 The Incredible Hulk. 10.32 Westward Late News. 10.36 Soap. 11.05 Politics West. 11.25 Thursday Film: "Miles To Go Before I Sleep." 12.45 am Faith For Life. 12.50 West Country Weather and Shipping Forecast.

YORKSHIRE

9.30 am Canada—Five Portraits. 10.20 Wild, Wild World of Animals. 10.45 Sealab 2020. 11.10 Three For The Road. 12.30 pm Look Who's Talking. 1.20 Calendar News. 4.15 The Woody Woodpecker Show. 4.45 Salvage—1. 6.00 Calendar (Emley Moor and Belmont editions). 6.35 Crossroads. 7.00 Emmerdale Farm. 7.30 Hawaii Five-O. 10.30 Music At Harewood. 11.00 Luke's Kingdom. 12.00 Superstar Profile.

RADIO 1

(S) Stereophonic broadcast.
‡ Medium wave.

5.00 am As Radio 2. 7.00 Steve Wright. 9.00 Simon Bates. 11.31 Peter Powell including 12.30 pm Newsbeat. 2.00 Andy Peebles. 4.31 Kid Jensen including 5.30 Newsbeat. 6.00 The New Album Chart. 7.00 Talkabout. 8.00 Jaye Cooper. 9.50 Newsbeat. 10.00 John Peel (S). 12.00-5.00 am As Radio 2.

RADIO 2

5.00 am News Summary. 5.03 Ray Moore (S) including 6.15 Pause for Thought. 7.32 Terry Wogan (S) including 8.27 Racing Bulletin. 8.45 Pause for Thought. 10.03 Jimmy Young (S). 12.03 pm David Hamilton (S) including 1.45 Sports Desk. 2.03 Ed Steward's Request Show (S) including 2.45, 3.45 Sports Desk. 4.03 Much More Music (S) including Horse Racing from Newmarket 4.45 Sports Desk. 5.00 News. 5.505 Waggoners' Walk. 5.20 Much More Music (S) including 5.45 Sports Desk. 8.03 John Dunn (S) including 6.45 Sports Desk. 8.02 Country Club (S). 9.02 Alan Dell (S) The Big Band Sound. 9.55 Sports Desk. 10.02 Windsor Davies Presents . . . 10.30 Star Sound Extra. 11.02 Brian Matthew with Round Midnight, including 12.00 Midnight Newsroom. 2.02-5.00 am You and the Night and the Music (S) with Sheila Tracy.

RADIO 3

‡6.55 am Weather. 7.00 News. 7.05 Overture Concert: Vivaldi, Satie, d'Indy, Haydn (S). 8.00 News. 8.05 Morning Concert: Mendelssohn, Smetana, Sinding, Britten (S). 9.00 News. 9.05 This Week's Composer: Ravel. 10.00 The Lied Before Schubert: Vienna—c1815 (S). 10.45 Rostrum 79 Chamber music concert: Weis, Simonis, Cherney (S). 11.30 John Pritchard Conducts Mozart, Britten, Strauss (S). 1.00 pm News. 1.05 Bristol Lunchtime Concert: Haydn, Beethoven, Weber, Fernando, Britten (S). 2.00 Cresteia: Musical triology by Taneyev, including 3.05-3.10 Interval Reading (S). 4.55 News. 5.00 Mainly for Pleasure (‡ and mono only from 6.20) with Alan Keith (S). 7.00 Talking About Music: Antony Hopkins (S). 7.30 Possibilities by Jonathan Raban (S). 8.15 Heinz Holliger: Oboe recital: Marcello (S). 8.30 Trade Unions and the Law: Discussion, with Sir Andrew Shonfield and Lord Wedderburn. 9.15 Elgar (S). 9.30 What Books I Please: Reading by John Sparrow. 10.00 Mozart Variations: Piano recital. 10.15 Book, Music and Lyrics. Early Jerome Kern and Lyrics as Light Verse (S). 11.00 Music in Our Time by Alfred Schnittke (S). 11.55-12.00 am News.

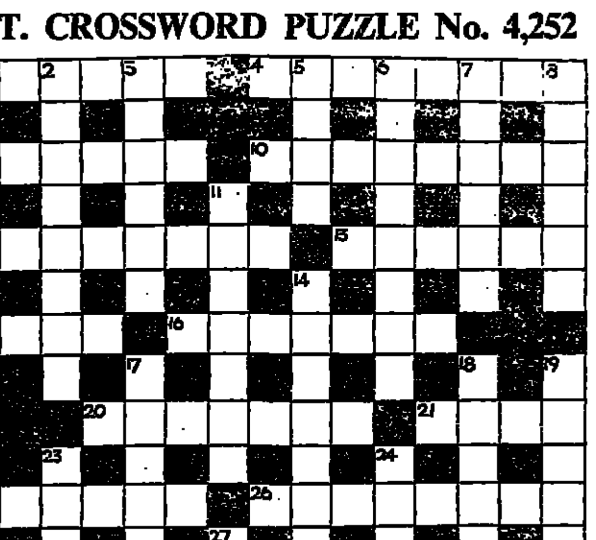
VHF Only—6.00-7.00 am and 6.20-7.00 pm Open University.

RADIO 4

6.00 am News Briefing. 6.10 Farming Today. 6.25 Shipping forecast. 6.30 Today, including 6.45 Prayer for the Day. 7.00, 8.00 Today's News. 7.30, 8.30 News headlines. 7.45 Thought for the Day. 8.35 Yesterday in Parliament. 9.00 News. 9.05 Quote . . . Unquote (S). 9.30 The Living World. 10.00 News. 10.05 Enterprise: Peter Prior. 10.30 Daily Service. 10.45 Story Time: "The Children of Dynmouth." 11.00 News. 11.05 File On 4. 11.50 A Certain Style. 12.00 News. 12.02 pm You and Yours. 12.27 The Jason Explanation of Progress (S). 12.55 Weather. 1.00 The World At One. 1.40 The Archers. 1.55 Shipping forecast. 2.00 News. 2.02 Woman's Hour. 3.00 News. 3.02 Listen With Mother. 3.15 Afternoon Theatre: "Don't be Cruel," by Rose Tremain (S). 4.10 My Delight with Arthur Kaufmann. 4.15 Any Answers? 4.45 Short Story. 5.00 PM. 5.50 Shipping forecast. 5.55 Weather. 6.00 The Six O'Clock News. 6.30 Brain of Britain 1980 (S). 7.00 News. 7.05 The Archers. 7.20 Time For Verse. 7.30 Kaleidoscope. 8.00 Concert from Hanley (part 1): Brahms (S). 8.55 Encounters: Recordings from BBC sound archives. 9.10 Concert from Hanley (part 2): Beethoven (S). 10.00 The World Tonight. 11.00 A Book At Bedtime: "The Death of the Heart." 11.15 The Financial World Tonight. 11.30 Today In Parliament. 12.00 am News and weather. 12.15-2.23 Shipping forecast.

VHF—11.00 pm Study On 4: Over to Youth. 11.30 Open University.

F.T. CROSSWORD PUZZLE No. 4,252



ACROSS

1 Soldiers in front of wood feel discontent (6)
4 Arguing about prohibition coming to an end (8)
9 Screened notice in outhouse (6)
10 Dad's fur that may bear inspection (8)
12 Coarse jesting to tease a learner out of water (8)
13 Rocky height to free from scorching (6)
15 Move slowly in church? (4)
16 I'd appear in game, that's obvious (7)
20 Grazing land beyond river (7)
21 Nothing in female footwear (4)
25 So road I had to follow is dirty (6)
26 Snail badly set about cargo (8)
28 Coming on stage to fill with delight (8)
29 Mounted part of castle for maintenance (6)
30 Cloth worker and NCO (8)
31 Money returned for curdler (6)

DOWN

1 Hold back reserves to coach (8)
2 Engage defender in repeat performance (8)
3 Want the French to heckle (6)
5 Open a vessel (4)
6 Ignore a reduction in price (8)
7 Unusual orb in hotel, but it's natural (6)
8 Eagerly desirous for short edition bound in grey (6)
11 Importance of attraction (7)
14 Notice clothing used in speech (7)
17 Banter could be wicked in time (8)
18 Has converted uncured leather (8)
19 Warms vessel but it could be a little rash (4-4)
22 Estimate fools on first of sales (6)
23 Little credit about price of hole in road (6)
24 Specimen for politician in sale (6)
27 Coin changed for a figure (4)

Solution to Puzzle No. 4,251

G	I	G	L	A	M	P	S		C	O	M	B	A	T
R		O		G		A			V		E			E
A	L	T	E	R	E	G	O		H	E	I	G	H	T
N		H		E		E		M		R		I		H
N	O	R	S	E		A	B	U	N	D	A	N	C	E
Y		O				N		S		R				R
	O	U	T	S	E	T		E	P	I	T	O	M	E
C		G		A						V		I		D
A	S	H	A	M	E	D		S	T	E	E	L	Y	
R				B		O		A				E		B
P	E	T	E	R	S	O	U	T		W	E	D	G	E
E		A		O		M		I		E		S		A
T	H	R	O	W	N		A	N	N	A	L	I	S	T
E		R		N				E		V		L		E
D	R	Y	D	E	N		S	T	R	E	A	K	E	R

Deutsche Oper, Berlin

Tristan und Isolde

by RONALD CRICHTON

Tristan is an opera for the prime of life. The lovers are no doubt well on the right s ide of middle age, but not extremely young: they have much experience behind htem, recaleld in th first act. King Mark, Tristan's uncl,e is young enough to take Isolde as bride, to hunt at night and to cross the sea. Few singers are unwise enough to tackle the main roles until experience has ripened them physically as well as musically. A slim Isolde and a handsome Tristan are bonuses but not essentials. Young conductors who may respond ardently to the passions in the score will rarely have the ability to control the imense spans of music, to maintain the flow while standing back to see the whole.

Barenboim, who has just conducted his first *Tristan*, in West Berlin, is 37. The third performance, last Saturday, was in many ways striking ,but according to report less wholly satisfying than the first, A visitor should be wary with the Deutsche Oper where the acoustics are forward, almost brash. The sound comes at you from both pit and stage. The first act made a powerful effect, with a Prelude slow but grandly sustained; clear, firm lines and big sonority. Nothing tentative about the opening scene for Isoldeand Brangane: a stromy impulse that persisted through the act to a turbulent close .

Catarina Ligendza and Ruth Hesse

Already there was a hint of aggressiveness in the approach. The orchestra at the Deutsche Oper is reliable, sturdy and solid rather than ultra-refined. The second act started excitingly, with (again) big sonority for the off-stage hunting horns and a whirling climax for Tristan's entrance. Thereafter the level declined. The boil-down to the first section of the love duet was choppy. Excitement remained, nothing was dull, but there was little sensuousness; the torrent flowed, indeed it almost roared, yet one missed the total view, the steel fingers in silken glove of Kleiber, Goodall's ancient wisdom and feeling for long-term propertion. The one thing Barenboim's brilliant career has not given him is something a German conductor of his age would almost certainly have—routine experience in an opera house, which may explain both the impact of the better parts of this performance and the absence of a certain kind of canniness.

It was not a question of drowning the singers: no more was lost, probably, than usual. But the impression of overall loudness was finally wearing. Catarina Ligendza's Isolde is masterly: the voice warm and full, with soft attack but uncommonly easy projection. High notes are well formed but have little edge and do not always crown the phrase, though the lack of shrillness is welcome. The treacherous last note of the Liebestod was taken with lambent softness. Miss Ligendza looks wel, with mobile, expressive features and speaking eyes. The Tristan of Spas Wenkoff looks well too (for a Heldentenor an aquiline profile, suggesting intelligence, is an advantage). He is musical above the average, each successive phrase sensitively pointed and placed. yet on Saturday there was a certain restlessness and unevenness in the singing.

Marks was given a lovely performance by Martti Talvela—no prosy promposity but sorely puzzled benevolence, the voice smoothly, effortlessly dominating. Kurwenal was to have been sung by Fischer-Dieskau, who was ill and replaced by the accomplished Ger Feldhoff. Ruth Hesse's Brangane was so well acted (in their costumes and attitudes both Isolde and her confidante had something of the mid-19th century and a pleasing feeling of feminine conspiracy) that one hates to say that to her old weakness of diction this artist now adds unsteady tone—the warning from the watchtower was not by any means the super-magical moment one expects. Like so much else, it was too loud—was there some amplification ?

In the production of Gotz Friedrich (Intendant-elect of the Deutsche Oper) the brilliantly gifted man of the theatre was more in evidence than the seeker after meanings. The sets of Gunther Schneider-Siemssen, though by no means bare, are unfurnished. No couch on board ship or bench in the nocturnal garden. Yet Friedrich's ability to move and place his singers and to devise kneeling and reclining positions which don't look too uncomfortable is so great that one hardly noticed.

The third act is dominated by a great rectangular spur of rock, deeply fissured. Here there comes a touch of the over-insistance remembered from Friedrich's Covent Garden *Ring* as the characters (including Tristan, still agile in his ravings) continually and dangerously clamber in and out, piling on the agony. But the end, with the dead Tristan and expiring Isolde alone on the rock and the others in the shadow at its base, was excellent—Miss Ligendza's gradual, supple, unaided collapse was as remarkable as her singing.

Riverside Studios

On Her Own

Leonard Burt

Eleanor Bron

Eleanor Bron's one-woman show was born, as she admits in a disarming preamble, when her partner in a two-character play dropped out. But for some years now, mainly through her television revue work, she has seemed to be an obvious successor to the tradition of Ruth Draper and Joyce Grenfell. She especially resembles Miss Grenfell in her flair for conversations conducted in the monologue form. In her current show, she mixes such sketches with serious material—letters home from doomed war correspondents—wistful Betjemania, and exotic extracts from Robert *(Kennedy5s Children)* Patrick and Giraudoux.

It is a curiously private selection, full of intimations of mortality and sprightly sick humour. If the overriding memory of Miss Grenfell is of a slightly ruffled provincial schoolmistress, the corresponding image of Miss Bron is of a slightly louche blue-stockinged graduate of Varsity revue. Technical versatility plays second fiddle to moral fervour and the impression that revue remains a form through which you can say something serious.

There is something effectively disconcerting about those intelligent features swathed in dark curls shooting down targets from on top of an oddly cut black evening dress. The merest trace of disguise releases all inhibition, however, as when she conducts an uproarious lesson in home surgery like Fanny Cradock addressing the television faithful or, in a little gem by Michael Frayn, she confesses sins of suburban life in the religious vocative case from a kneeling position.

Best of all is the sweepingly tactless *hauteur* of a gin-swigging lady of leisure when the invisible blind piano tuner comes to call: "How lovely for your wife not to have to worry what she looks like;" or the devious. fatal guile of an adulterous correspondent receiving a sharp come-uppance from her FT-reading spouse.

The songs, especially Cole Porter's "Down in the Depths," are a mistake, for Miss Bron cannot sing. But, in all, this is a pleasant *divertissement* that, with time, can only improve.

MICHAEL COVENEY

Arts news in brief

Noel Coward's *Hay Fever* opens at the Lyric Theatre, Hammersmith, on April 29 and runs until May 31 at 7.30 in the evenings and on Saturdays at 8.15 pm. Matinees will be given on Thursdays and Saturdays.

The cast is Polly Adams, Yvonne Antrobus, Jeremy Child, Constance Cummings, Felicity Dean, Mary Griffiths and John Le Mesurier. The director is Michael Blakemore.

★

Michael Codron is to present the Royal Exchange Theatre Company's production of Ronald Harwood's critically acclaimed play *The Dresser* at the Queen's Theatre on April 30. Previews are on April 26, 28 and 29. Tom Courtenay and Freddie Jones head the cast of *The Dresser*, which is directed by Michael Elliott.

Set against the background of a performance of *King Lear* in a provincial theatre in 1942, *The Dresser* is about the relationship between an ageing actor/manager and his dresser.

★

Kent Opera is to present a week of opera at Manchester's Royal Northern College of Music from May 13-17. This will be its first visit to the north-west.

The repertoire will consist of Jonathan Miller's production of Verdi's *La traviata*, (May 13, 15, 17), and the première performances (May 14, 16) of a Baroque double-bill: Monteverdi's opera-ballet *Il Ballo delle Ingrate* (The Dance of the Heartless Women) and John Blow's *Venus and Adonis*.

★

The Scottish Arts Council will spend £8.35m this year—a rise of nearly 16 per cent on last year. But the council warned that if inflation continued to run at nearly 20 per cent a year, it would be "virtually impossible" for most of its grants to organisations to keep pace with inflation in real terms.

Nearly half the council's budget goes to four national companies — Scottish Opera, Scottish Ballet, Scottish National Orchestra and the Scottish Philharmonic Society.

Teatro Regio, Parma

Giovanna d'Arco

by WILLIAM WEAVER

When Marie Louise, thanks to the Congress of Vienna, became Duchess of Parma, one of her first concerns was to improve the musical life of her new home. She founded a school, which later developed into the prestigious Parma Conservatory, and in 1821 she sponsored the construction of a new opera house, the Teatro Regio. It opened on May 16, 1829, with the world premiere of Bellini's *Zaira*. The authorities had wanted a new work by Rossini, but had to be content with an Italian translation of his *Moïse et Pharaon*, which followed the Bellini work.

Despite a good cast, *Zaira* was a failure; and this year, the Regio's 150th gala season got off to a similarly poor start, with a *Traviata* so roundly booed on opening night that the soprano refused to perform the third act. Happily, things have gone better since then; and the second Verdi opera of the season, *Giovanna d'Arco*, has been received with warm enthusiasm.

Though Verdi is, of course, a staple at the Regio, *Giovanna d'Arco* is as rare there as anywhere else: this new production was the first since 1859, when *Giovanna*—already 14 years old—had its first Parma staging. While the work is not on the same level with its best predecessors (*Ernani* and *I due Foscari*) or with *Attila* and *Macbeth*, which came shortly afterwards, it is still a totally enjoyable piece. Giovanna's two arias are first-rate early Verdi, and even the formula numbers—notably the *banda* music and some of the choruses — have a genuine Verdian vitality and pace.

Michelangelo Veltri, conducting the Orchestra Stabile Emilia Romagna, displayed unabashed enjoyment of the youthful vigour of the score, but also made evident its more delicate, lyrical hues. If some moments did not achieve their full emotional impact, the fault lay more with the singers than with the conductor. The orchestra, in any case, played well, especially the wind section (their tender solos in the Overture were all sensitively as well as accurately rendered).

Angeles Gulin, a former winner of the "Voci verdiane" competition in nearby Busseto, is something of a Parma discovery and a Regio favourite. The voice is huge, and Gulin is a generous singer; but the voice is also unruly, she sometimes has intonation trouble, and she tends to concentrate on the interpretation of the big moments, paying no attention to details. Thus in the prison scene she failed to move one, as she asked for her father's blessing, because she was obviously more interested in the rousing martial music that was to follow. Her second aria, "O fatidica foresta," however, was sweetly sung, and the death scene came off well.

At the second performance, which is the one I heard, the role of Carlo, the Dauphin, was sung by Gianni Bavaglio, replacing an indisposed Gianfranco Cecchele. Bavaglio's acting was understandably wooden, but his singing was generally effective, even though his voice is small and sounds somewhat constricted. He was at his best in the quasi-love scene in the royal gardens. The soundest and most affecting performance came from the baritone Garbis Boyagian in the usually ungrateful role of Giacomo, the future saint's father. At the very beginning, in his first recitative, the singer appeared uncertain of pitch; but he soon settled down, sang confidently, and won a deserved ovation.

This opera was written at the time when Verdi was known as "Il papà dei cori," and the choral writing is extensive and often tricky. The chorus of the Regio occasionaly got into brief trouble, but for the most part did its job effectively. The production was underwritten also by two other theatres in the area, so it was clearly designed to travel. Carlo Savi's sets were spare, essential; sometimes they worked, and sometimes they did not (the garden scene—in which the fixed choir-stalls for the chorus had to remain—did not come as the visually lyrical interlude it should be), but they were generally good-looking. Filippo Crivelli's staging also had some ineffectual aspects (the invisible choirs of angels and devils were too often visible), but as usual, it was at least tactful, unaggressive, without gimmicks.

In the handsome upstairs foyer of the Regio there is a well-selected and well-arranged exhibit of pictures, documents, and photographs, illustrating the theatre's early years. There is the poster announcing the season with *Zaira* and the "immortal" (at the age of 37) Rossini. Then there is a letter from the impresario to the authorities, asking permission to use the theatre for a series of Tombola games, to recoup the money lost on the operas presented, and—since permission was apparently granted — there is a poster advertising Tombola.

For this commemorative occasion, the Regio has also published a thick volume of essays, including several by local scholars — Gian Paolo Minardi, Gustavo Marchesi, Marcello Conati—which give a clear and original idea of what the operatic world was like, in a large provincial city, in the middle decades of the last century: important contributions to that social history of Italian opera which remains to be written.

Wigmore Hall

Eden and Tamir

by ANDREW CLEMENTS

The number of worthwhile compositions for two pianos is so small, and the number of masterpieces fewer still, that most duo pianists must recycle their programmes even more quickly than their solo colleagues. The danger of becoming stale is thus so much the greater, and that is the one excuse that may be offered for the woefully enervated programme offered by Bracha Eden and Alexander Tamir at the Wigmore Hall on Tuesday night.

Their concert included two of the masterpieces — Debussy's *En Blanc et Noir* and Schubert's F minor fantasy. It also contained Rakhmaninov's second suite, an ingratiating diversion in an alert, precise performance. But precision and alertness were the things most obviously lacking in Eden and Tamir's playing; a failure to grasp the idiom of each work was a close runner-up. The opening movement of *En Blanc et Noir* crumbled beneath lumpish figuration and an inability to distinguish the important strands of the argument from the subsidiary decoration; in the second movement Mr. Tamir decided that the haunting, hollow fanfares neded softening with cheapskate rubato.

The mechanics of the Schubert fantasy were negotiated without too much difficulty, though even here one could have hoped for a little more sense of understanding in the shaping of some of the important melodies. But the Rakhmaninov suite was a comprehensive failure, loose in rhythm (what rhythm one could hear beneath a fog of pedal) and unimaginative in phrasing. Unsympathetically handled Rakhmaninov can see ma prolix composer—the great Rakhmaninov pianists are those who can see beyond the sequential passages, renewing them each time. Once again though, melody was indistinguishable from figuration; the unknowing listener could have been excused for not grasping where one phrase ended and the next began. A singularly depressing evening.

Welsh National Opera

Despite a shortfall in subsidy for hte 1980/1981 season, causing the cancellation of one new production and a cut of two weeks touring, Welsh National Opera will still present seven new productions. These are Richard Strauss's *Woman Without a Shadow* to be sung in English, *Tosca*, Handel's *Rodelinda*, Martinus' *Greek Passion* (British stage Premier) *The Servants* (World Premier), commissioned from William Mathias by WNO and the Welsh Arts Council, *The Journey*, by John Metcalf (another World Premier) and *The Cunning Little Vixen*, a co-production with Scottish Opera, in the two companies' joint Janacek cycle.

WNO will also present Alun Hoddinott's new opera *The Trumpet Major* to be premiered by the Royal Northern College of Music at Sadlers Wells' in April 1981.

Sponsors include Amoco (UK) Limited, Imperial Tobacco Limited, and Renault.

FINANCIAL TIMES
BRACKEN HOUSE, CANNON STREET, LONDON EC4P 4BY
Telegrams: Finantimo, London PS4. Telex: 8954871, 883897
Telephone: 01-248 8000

Thursday April 17 1980

A surprising achievement

IT IS very rare that the British Government — or, for that matter, any government—embarks on a wholly laudable enterprise and carries it through with impeccable success against what seem, at every succeeding stage, to be overwhelming odds. Few people thought that Lord Carrington could negotiate an independence plan with the political parties of Zimbabwe-Rhodesia, even fewer that Lord Soames, backed up by little more than a symbolic support staff, could translate the Lancaster House agreement into reality on the ground.

The sceptics have been totally confounded. Rhodesia has been brought back from illegality and, through the democratic mechanism of the ballot box transformed into an independent Zimbabwe which now takes its place as a free and sovereign nation. Lord Carrington and Lord Soames have brought off what many thought to be impossible, and it would be difficult to rate the achievement too highly.

Relationsuip

For Britain this marks the end of an era. Though the UK still has a handful of dependent territories overseas, the independence of Zimbabwe represents the resolutions of the last major colonial problem. Naturally there will be, or at least there should be, a cose continuing relationship Between Britain and the ex-colony. The new government in Salisbury will need all the help it can get in mastering the problems of independence, whether political, social or economic, and it would be both right and natural that Britain should play a leading part in providing such help.

Mr. Robert Mugabe, the new Prime Minister, has made it clear that he is anxious not to drive out the whites who play such a key role in the management of the country, and British assistance, whether technical or financial, may be especially valuable in butressing morale among the white community. Nevertheless, independence means what it says, and Britain's responsibility is now confined to that of friendly support. From here on, it will be up to the people of Zimbabwe to conduct their own affairs.

Naturally it will not be easy. A great many former guerrillas must now be re-integrated either into a vastly expanded army or into civilian life of which they have had littl eexperience. The ordinary black population, having achieved political sovereignty, will undoubtedly hope for a correspondingly rapid improvement in economic conditions, whether this is expressed in terms of wage rates in the factories or in the form of land reform in the agricultural sector, and these expectations will not be easy to gratify as quickly as people would like. Mr. Mugabe rightly wants to create a multi-racial society, but he will have to perform a delicate balancing act in trying to reconcile black desires for rapid change in the running of the country, with the desires of the whites (and the need of the country) for a large measure of continuity and gradualism.

The best augury for the future is that Mr. Mugabe comes to power with the legitimacy of an election which everyone agrees was remarkably fair, and which nevertheless gave him the uncovenanted bonus of an absolute majority in Parliament.

South Africa

The peaceful transition of Zimbabwe through elections to black majority rule and independence inevitably prompts the question, what will be the implications for South Africa? The most enlightened opinion in the Republic would hold that Pretoria can live with any regime in Zimbabwe which is stable and responsible. Some South Africans may have been shocked at the election of a man whom they feared as a Communist, but they should be reassured by the moderation of what Mr. Mugabe has actually said since the election,

Nevertheles, Mr. Botha's government must now know that there is little or no hope of building a *cordon sanitaire* of compliant black States round South Africa, and the unexpected outcome of the Zimbabwean election may make the South Africans more reluctant to permit free elections in Namibia. Such residual anxieties can do nothing, however, to mar or qualify the bringing a free Zimbabwe into the community of nations.

The true cost of high wages

THE LATEST wage satistics give a superficial impression that labour cost pressures have begun to ease; but the true facts behind the figures offer no such reassurance. The rise in earnings is now over 20 per cent, and still accelerating. Within that figure, which makes a sad contrast with a monetary growth target of 11 per cent, the highest increases are being paid in the public sector, with private servicehs second and manufacturing a poor third. This is an utterly unsatisfactory picture, whose implications for the future are forbidding.

The bleak facts are that average earnings, after allowing for various distortions, are now up by over 20 per cent and still rising. This reflects, among other things, an admitted 25 per cent rise in the central government pay bill. By contrast, the average level of settlements during this year appear somewhat lower, with a national average of 16½ per cent—with the public sector, at '4 per cent, well below the private sector figures.

Private sector

However, the public sector increases come on top of the large Clegg adjustments. Within the private sector, there is a clear contrast between the 18½ per cent average of settlement and the figures reported from manufacturing industry through the CBI data bank, which show half of all settlements struck below 15 per cent. Even allowing for wage drift, this means that real wages in fanufacturing are being squeezed,- while those in private and public services are stable or rising.

This pattern is not at all surprising: it is the predictable outcome of the combined working of tight money, leading to a strong exchange rate, and the Clegg comparability exercise. However, the fact that a pattern is predictable does not mean that it is acceptable. The public sector pay explosion appears to have been accommodated quite smoothly in Whitehall, but threatens disruptive consequences in the local authorities —a contrast which may further undermine-she shaky credibility of cash limits. Meanwhile it remains to be proved that tight money has any worthwhile effect in containing cost pressures among the private services for the home market.

The clearest lesson suggested by this general over-riding of monetary restraint is that monetary policy needs strong support if if is to restrain inflation without destructive side-effects — and nothing could be less promising for long-term revival than a steady rise in relative wages in the sectors of the economy which do not have to compete interationally.

The first necessity is an appropriate fiscal policy. Unfortunately the least helpful way to achieve this is through a general policy of higher charges for publicly provided goods and services purely for revenue purposes. This policy will invite higher wage claims within the industries concerned, as more cash is generated, and outside, as the cost of living rises. The rise in costs could do as much to hamper the achievement of monetary restraint as the cut in borrowing will do to assist it, leaving interest rates and competitiveness untouched.

The second necessity, then, is for far more effective management within the public sector, to improve efficiency and restore cash limits as an operative discipline — at the moment they can be excessively harsh outside Whitehall, and seem too easily circumvented within it. Good results here will not be achieved quickly, and other necessary policies, for enforcing more competition in sheltered sectors of the economy, and reforming labour relations, are also for the long haul.

Time lag

The most pressing problem for the Government is to limit the damage likely to be done to the economy in the interval before these longer-term policies become effective — and monetary policy itself operates only after a substantial time lag, except through its effect on the exchange rate. There still seems to be a widespread illusion that wage bargaining is simply a struggle over shares in a fixed national income, in which the winners are those who most handsomely beat the price index; but in fact, as we become less competitive, we are all losers in real terms. The recession we now face is not caused by monetary policy, but by ignoring monetary policy: that truth still has to be brought home.

OUR AFRICA EDITOR ASSESSES THE SIGNIFICANCE OF TONIGHT'S INDEPENDENCE CEREMONY

Zimbabwe's message for white minority rulers

BY BRIDGET BLOOM IN SALISBURY

"IN THE lives of most nations, there comes a moment when a stand has to be made for principle, whatever the consequences. We have struck a blow for the preservation of justice, civilisation and Christianity and in the spirit of this belief we have today assumed our sovereign independence."

These were the words with which Mr. Ian Smith, Prime Minister of Rhodesia, declared UDI on November 11, 1965. Tonight, the chapter which that rebellion opened is closed. Ninety years of white minority rule, nearly 15 of illegal independence and seven years of th emost bitter civil war will be over when the Union flag is lowered at midnight and the new Zimbabwe flag is unfurled in its place.

There will be jubilation and congratulation as the assembled dignatories, many of them from Third World and African states, delight in the triumph of Zimbabwe's legal independence. But if the first note recording an extraordinary saga is a sombre one, it is right that it should be. The bush war, which the white minority Government fought in the name of justice, civilisation and Christianity, killed at least 27,000 people. More than 10 times that number were wounded. And nearly 1m Africans, as the flags fly this weekend and the songs are sung, will be homeless because of the war. It is a heavy toll, made no lighter because it might, had the war gone on longer, have been much worse.

However, though it comes at the close of one of the bloodiest chapters in African colonial history, tonight's ceremony and all it represents does at least confound the sceptics. Some of the visiting dignatories in Salisbury's Rufaro stadium tonight may reflect on Ian Smith's words 15 years ago. But many more are likely simply to be astonished that they are here at all, being able to celebrate an independence in such peace only three months after the fighting stopped and less than two after an election whose result was so overwhelming that the new Government's right to office brooks no challenge.

Very few people indeed would have predicted last April that within a year Zimbabwe would be legally independent in peace and a flood of international goodwill. And even fewer would have said that Mr. Robert Mugabe, so widely believed to be a dangerous Marxist, would, as Zimbabwe's new Prime Minister, be busy reassuring the country's whites, and its white-run businesses, that they and the country's 7m blacks all had a place in the new Zimbabwe sun.

The tale of the last year's events is indeed remarkable. In retrospect it is possible to see that the two sides in the guerrilla war had fought themselves to a stalemate: that the white-run Rhodesian forces had begun to realise that they could not win, while the guerrilla armies saw, or were persuaded to see, that the cost of ultimate military victory would be too high.

Prince Charles reviews a Rhodesian Air Force guard of honour at Salisbury Airport yesterday

With hindsight, too, it could be seen that by the time the Commonwealth held its summit in Lusaka last August, the necessary extra ingredients—in the form, for example, of a more determined British Government and economically exhausted African states, were assembled for a concerted "final" attempt at settlement. These factors kept the Lancaster House talks going when they looked like faltering, and the settlement which was signed and sealed in London on December 21 was bound to work once it began to be put into effect on the ground in Rhodesia.

But hindsight casts a rosy glew over the past. At almost no time up to December 21 did a settlement look inevitable and very often after that it seemed impossible that what had been hammered out in London could actually be made real on the ground.

A year ago Mrs. Thatcher was not yet Prime Minister and in March, 1979, her then shadow foreign secretary, Mr. Francis Pym, all but committed the Tories to legitimising the "internal settlement" Government of Bishop Muzorewa and Ian Smith. As late as June, the Bishop believed that he had Mrs. Thatcher's recognition in the bag. At Lusaga, the hard work put into the conversion of the Prime Minister by Lord Carrington and his Foreign Office officials could have gone for nothing if the African Frontline Presidents, in particular, had reacted differently. —Even when that hurdle was overcome, there were many occasions at Lancaster House when the whole exercise was near collapse. The tenacity of Lord Carrington, or the perseverance of the African Presidents and of the Commonwealth Secretary-General or finally the readiness to compromise of the parties involved just kept in going, week after painful week.

It is extraordinary, one of the senior British colonels in the Commonwealth monitoring force said at Umtali, in Eastern Zimbabwe, in the middle of February when election violence threatened to get out of hand. "Huge problems face you every few days here. You think they're insurmountable. Yet somehow when you get to them, they melt away." He was talking particularly about the successful way, against al the odds and predictions, that the guerrillas assembled in their remote camps within the first two weeks of the ceasefire. Despite lapses and provocations on both sides, the ceasefire held for the often violent seven-week campaign. The colonel left Rhodesia very shortly afterwards: in perhaps the most astonishingly successful exercise of all, the monitoring force pulled out almost all its men in the assembly places in advance of the election, to have them replaced, in a "mutual hostage" exercise, by Rhodesian soldiers and policemen.

And so, in a sense, it has gone on. Mr Mugabe's massive election victory made it unlikely that the "boys" in the camps would return to the bush to restart the war. But some 6,000 more guerrillas who had been "hiding" inside the country during the campaign have now gone into the camps and are apparently eager to be trained as regular soldiers.

There are hiccoughs, but the amalgamation of the three armies—the ZANLA of Mr Mugabe, the ZIPRA of Mr Joshua Nkomo and the white officered Rhodesian forces—which once seemed inconceivable, is actually happening. There was, against all the pre-election fears, no white coup, and with each passing day a white backlash looks increasingly unlikely. And there is Mr Mugabe, seven weeks after he was apopinted Prime Minister, being as moderate and as cautious as any black or white capitalist could wish.

It would be foolish to deny that there have been and are still serious problems. In the next few days n odoubt, if Mr Mugabe and his colleagues have been tempted to join in the independence euphoria, a sterner reality will rapidly impinge. In four days' time, on April 22, the Financial Times publishes a special survey on the new Zimbabwe which provides a close analysis of the legacies which the war, and 15 years of UDI, have left the new Government.

The need for massive reconstruction and rehabilitation and the promises of land reform, resettlement, free gducation and health and of better wages and more jobs, will be very difficult to fulfil against the background of an economy still desperately short of foreign exchange and a white population which, for better or worse, still very much dominates the administration and the private sector and which is still, despite Mr Mugabe's assurances, very uncertain of its future.

But perhaps on this important, even momentous day, twc points should be made. Lord Soames, who leaves Zimbabwe tomorrow after a much more successful four-month Governorship than he or anyone imagined possible, often maintains that luck has played a big part. He is, of course, right. The tightrope walker would not stay on the wire unless he was very skilled. But without luck, he would succumb to the gremlin and fall off.

We've been lucky, too—and not least perhaps because this is Africa. There is an almost indefinable element in the success of the Zimbabwe settlement effort over the last few months which seems to stem from some quality of forgiveness which—despite the horrors of a Uganda or a Central African Republic — is perhaus uniquely present in African societies. Zimbabwe today reminds me of what happened, again to the surprise of the Western world, at the end of the Nigerian war. The issues in Zimbabwe have seemed as bitterly divisive as those which unleashed this century's wars in Europe. The racial divide was even more obvious in Zimbabwe, if not more corrosive.

Yet in Salisbury today there are no war trials, no tribunals, no Nurembergs just as there were nene 10 years ago in Nigeria, though the civil war there, of black against black, was as bitter if mercifully half as long.

And if anyone maintains that there is an official amnesty here, decreed while Zimbabwe was still nominally British, the British are not responsible for the extraordinary ability to forgive and forget being shown by so many in Zimbabwe, from the Prime Minister and his Ministers downwards.

Does all this hold a lesson for Europe, or for Britain, the "arch-colonialist" especially? Perhaps not, directly. As the flag comes down tonight, Britain will be absolved from its African colonial responsibilities.

The process of decolonisation, heralded by Macmillan and nurtured by Macleod, began with honourable intentions and it seems, ends that way. Britain leads the aid donors to Zimbabwe. But Africa will now recede in importance for Britain. No foreign secretary, one may safely bet, will ever again spend more than 50 per cent of his time and energy on southern Africa, as almost all foreign secretaries have done for the past 15 years.

Namibia and South Africa remain under white minority rule. Britain has large investments in and perhaps moral obligations towards both countries. It is possible that the past few months in Zimbabwe could show Britain, and through Britain the whites there, that majority rule might not be so terrifying after all?

MEN AND MATTERS

Paddling into the Arctic past

There is not a lot, you may say, that a Midlands businessman can usefully teach an eskimo. Frank Goodman does not agree. Off to the frozen wastes of Canada this summer, this director of Valley Canoe Products, Nottingham, travels in the hope that he can restore to the dispirited natives a part of their cultural heritage: he is going to promote nothing less than the use of kayaks.

"They have given up their traditional driftwood and sealskin boats since the white man gave them the internal combustion engine," Goodman tells me. "We want to sell them the idea that kayaks are still worthwhile — especially glass fibre ones which can be built in two days." The old ones used to take up to six months, he explains, and in any case the last local man who could build them is now dead.

He is not, he insists, out to make a profit. "This trip is to reaffirm a culture. Thanks to the white man many eskimos now have nothing to do but sit about, get drunk and draw social security—like some of our own young people. We are going to set up a study of boredom in two separate cultures."

Goodman, 49, has trumpeted the merits of the kayak in the three years since he paddled one of his own round Cape Horn. Having shipped moulds and materials to the eskimos last year, he now plans a demonstration paddle with tribesmen around Frobisher Bay, off Baffin Island.

Following in the wake of Martin Frobisher, who, in 1570, took 400 men on the biggest-ever Arctic expedition in search of the North West Passage, our hero also hopes to relive a piece of history.

Frobisher, it seems, was also a keen prospector—though a poor geologist—who brought home tons of rubble he mistook for gold ore. In his diggings, which have since been visited only twice by outsiders, the unfortunate explorer also found rich deposits of coal which he dug up and left behind. New, 410 years on, Goodman plans to pay belated tribute to the energies of his precursor and, cooking with nutty slack from the world's oldest coal pile, dine off narwhal steak and beans.

"Typical, they've ignored all the extra staff they'll need in all the new Job Centres . . ."

Missed sale

Hard-pressed as he is, Sir Michael Edwardes this week still found time to visit his old stamping ground in South Africa. Having succumbed to the blandishments of his academ compatriots, Sir Michael went home primarily to collect an honorary degree. But never normally given to spending valuable time on such relatively trivial affairs, he also took the opportunity to blow BL's trumpet.

The company's South African subsidiary took quite a mauling last year in an attempted merger. Now, h esays, everything is fine. "The South African subsidiary has recovered," he boasted, "to such an extent that there is no question of it closing down." One area where it hasn't shone, however, is in the ripening export market on its northern doorstep.

The company recently offered to supply a dozen Rovers for the British High Commission to be established in independent Zimbabwe. Unfortunately, the mission had already ordered 12 Ford Cortinas.

Star value

I see from a confidential entertainment survey which has come my way that show-business personality Harold Wilson can still attract the crowds. His charisma is strong enough, the survey says, to attract fees of up to £2,000 for putting in an appearance at seminars and sales conferences. This puts him on a par with the likes of David Frost and ex-Goon Michael Bentine while down the scale on £1,000 a head come acting farmer Ted Moult and soccer manager Laurie McNemeny.

Paw broker

After some investigative sniffing around the Italian nisurance group Assicurazioni Generali has just snapped up an outfit new to me known as the Dog Breeder's Insurance Co.

As new chairman Ken Hall points out, the value of the pet insurance business has gone up appreciably in recent years. "You don't go along and pay £10 for a puppy any longer, you know. You will pay £80 or £90 for a run-of-the mill Labrador."

For an annual premium of about £12 owners can get what is known in the trade as a "complete dog" policy, the equivalent of the fully comprehensive cover you would obtain on your new Rover. It covers breeders and kennels for illness and disease, accidents, theft, straying and whelping. It is, in short, a pets' BUPA run on BUPA lines.

Competition among brokers is described as fierce, even in a growing market, and large numbers of brokers are said to be straining at the leash to place more business. Hall says guardedly that he hopes premium income, now around £500,000 a year, will grow faster than inflation.

In business for 32 years, Dog Breeder's has broken out of the kennel and now offers cover on all kinds of stock: on cats, ponies, donkeys and even goats. It was this diversification and the scale of the business which attracted the Italian bidders. "Generali has developed on the livestock front and is now insuring racehorses for £1m or £2m. It receives inquiries about other animals and these fit in quite nicely for us," says Hall. "Likewise, we can pass on any business inquiries on matters like stables."

Happy note

Out of the otherwise totally depressing saga of the U.S. hostages in Tehran has come a sign that true love conquers all.

One of the captives, Staff Sgt. Joseph Subic Jr., who worked in the military attaché's office, wrote to his girl-friend soon after the Embassy was seized last November, asking her to marry him.

It was one of the few letters the students have allowed to be posted. The girl, a former secretary at the British Embassy who had just been evacuated, promptly decided she would say "yes." Then she had to find a way to get the message across. An intermediary in Tehran was found, acceptable to the students, and for several weeks now he has bee nplaying Cupid, delivering letters between the two lovers.

Unlucky break

From a schoolboy conversation on the Basingstoke train: "Had a terrible nightmare last night. I dreamed I broke my leg playing rugger . . . and my mother ran on the pitch and kissed me."

Observer

ECONOMIC VIEWPOINT

Panic and wrong answers from the Fens

THE CAMBRIDGE Economic Policy Group (CEPG) has once again shown itself past master at giving the media and the opinion makers what they want. It provides (a) horrifying numbers to make our flesh creep and (b) a call for import controls to keep the producer lobbyists and special interest groups happy.

It has also the art of timing. At the beginning of a recession expected by observers of almost every economic outlook, all it has to do is to take the worst possible view of the outlook for the next year or two and then project it indefinitely forward to achieve a plausible effect. It combines Murphy's Law, "If anything can go wrong, it will go wrong," with Godley's Law, "What comes down will not come up," and Cripps's Law, "Everything will come right in the end if only you adopt import controls."

To see the nature of the Cambridge analysis, it is best to go straight to the tables at the back of the April, 1980 Economic Policy Review (published by the Cambridge Department of Applied Economics). The base projection is supposed to be roughly in line with present policies, except that the Public Sector Borrowing Requirement suffers a depression-induced rise. Unemployment rises from 1.3m in 1979 to an average of 1.9m in 1980—not that much higher than the Government's own projections. In 1981 it shoots up to 2.6m—certainly a crisis figure, but not impossible if labour market monopolies do their worst, aided and abetted by the Clegg Commission and its Cabinet sympathisers.

But it is in later years that catastrophe arrives. For far from the 1981 figure being a peak it continues in the Cambridge projections to rise by

CAMBRIDGE PROJECTIONS

Unemployment (millions)	1979	1980	1981	1982	1983	1984	1985
Base Projection	1.3	1.9	2.6	3.2	3.6	4.0	4.4
"Devaluation in 1981"	1.3	1.9	2.5	2.7	2.9	3.2	3.6
"Tariffs and Devaluation in 1981"	1.3	1.9	2.1	2.0	1.9	1.8	1.8
Consumer prices (% annual increase)							
Base Projection	11.9	19.1	12.6	10.9	9.8	8.8	7.9
"Devaluation in 1981"	11.9	19.1	17.8	10.4	11.8	19.0	22.0
"Tariffs and Devaluation in 1981"	11.9	19.1	9.8	1.3	6.6	14.2	20.4

400,000 a year, steadily and monotonously, to reach 4.4m in 1985 where the edge of the paper is reached. The CEPG is not saying that market forces work too slowly, but that there are no self-correcting forces in the economy at all. Thus a fall in public sector borrowing is seen as simply depression-inducing unless accompanied by a beggar-my-neighbour increase in exports relative to imports.

The base projections should make one extremely suspicious. It shows no change at all up to 1985 in the sterling exchange rate. This is despite deterioration of over 30 per cent in export competitiveness, over and above the 16 per cent deterioration that has already occurred between 1976 and 1979. The projection is in striking contrast to the chart on Page 10 of the Review itself which shows the real exchange rate (adjusted for UK costs and world prices) subject to wide swings, but showing no long-term trend at all. The CEPG base projection is simply not a credible picture — especially in the light of the Cambridge authors' own emphasis on the "mirage" of North Sea oil and how soon its benefits will level off.

Indeed the more one looks at the "base projection" the more curious it becomes. For although it is supposed to represent a blood-curdling depression, we notice that the volume of consumer spending rises by about 10 per cent up to 1985. Not only that, but from 1981 onwards post-tax real earnings rise by 3 per cent to 4 per cent per annum. Regardless of the

... in one flight of fancy the authors abolish income tax

growing pool of unemployed, those remaining at work are supposed to be able to obtain very high real wage increases which price more and more of their fellows out of work — presumably indefinitely.

One is tempted to say that anyone who believes this will believe anything. But a more sober reply would be that if this were true the most urgent task of policy would be to break up union monopoly power — whether by the hawkish method of ending legal privileges and illegal intimidation or the dovish method of handing over large enterprises directly to workers to run as co-ops and discover for themselves the market value of their services. But the Cambridge Group is not interested in this set of problems at all.

It is obsessed by the view that (a) that all our problems are due to lack of demand (b) that demand can only be generated by government management — which makes one wonder how ecnoomic growth occurred in all the millenia up to World War II when demand management was mercifully unknown—and (c) that a demand stimulus can only be generated by regulating foreign trade. With (c) we move from ultra-Keynesian economics to the economics of General Franco from which the Spanish are painfully trying to extricate themselves.

The second set of projections shows a devaluation in 1981 sufficient to secure a 14 per cent improvement in export competitiveness and, after that, enough continuing depreciation to keep export costs rising at the same rate as competitor countries. In addition a two-year incomes policy sufficient to restrain the rise in money earnings to 15 per cent in 1981 and 10 per cent in 1982 is assumed.

Such a proposal would be a seventh heaven for many of the Government's critics, especially those in Whitehall itself. Yet on the Cambirdge analysis it offers only a brief respite, with unemployment still at 3.6m in 1985 and prices rising as well, by over 20 per cent per annum, and at an accelerating rate.

Monetary variables do not figure in the statistical appendix at all. All we have is a propagandist text table purporting to show that monetary movements have not effect on prices and earnings. Yet one only has to put in a two-year time lag to see that inflation does change in the same direction as money—despite the crudities which ignore th einternational aspects of the transmission mechanism and temporary shocks such as oi lprice or VAT increases, and the corset distortions which cause 1979 monetary growth to be understated.

Indeed there is a curious contrast between the declamation in Chapte rOne that present policies will lead to "a highly perverse combination of recessio nand continued rapid inflation" and the base projection in the same document showing inflation down to 8 per cent in 1985 and on a falling path.

It will not surprise anyone to learn that he only prospect offering any hope at all is supposed to be that which combines devaluation with import controls. In that case unemployment peaks at 2.1m in 1981, falling to 1.8m in 1985 and to 1.3m in 1990.

Nor is this mere make-work, as even most of those who sympathise with the CEPG will asssume. Output in 1985 is put at 20 per cent higher than with devaluation alone and over 30 per cent higher than on the "base projection." The one fly in the ointment is inflation, which is still 16 per cent by 1990, but at least it is on a falling trend and would be a small price to pay for the output

... they take the worst possible view ... then project it indefinitely

miracle—if only one believed that bolstering inefficiency and cutting off external competition were the way to achieve it.

Any industrialist or ambitious backbencher who wants to play with import controls should study the CEPG Appendix carefully before citing Cambridge in support. For here is no temporary and modest protection. We start off in 1981 with a 15 per cent tariff or equivalent on services, 20 per cent on semi-finished goods and 30 per cent on manufactures—presumably over and above existing duties. These levels "are raised progressively after 1983, reaching levels of 36 per cent, 48 per cent and 72 per cent" for the three categories by 1990.

We can readily believe that the CAP and EEC budget arrangements will then "cease to apply"—although there are surely less self-destructive ways of getting rid of these encumbrances. In addition "public expenditure is increased steadily in real terms." Tariff revenues are used to cut taxation and subsidise investment. Indeed in one flight of fancy the authors abolish income tax and indirect taxes and replace them with tariff revenues.

Import savings brought about by controls are directly at the expense of exports. This follows from the simple fact that, apart from capital movements, trade has to balance; and the main effect of import restrictions is to balance trade at a lower level. An export tax would have much the same effects — and have the educational effect of exhibiting the export job losses that balance any job-saving in the import sectors.

In deed import controls on their own would tend to bring about not a devaluation, but a further appreciation of sterling. The original popularity of import controls some years ago was a response to the weakness of sterling. An import surcharge —first of 15 and then of 10 per cent —was imposed by the Wilson Government in 1964-66 specifically to avoid a devaluation of sterling without changing underlying policies.

It could not have worked in the long run, even without the overseas outcry which led to its early abolition. But its immediate effect was undoubtedly to allow the old $2.80 exchange rate to be maintained a little longer. To prscribe import controls when sterling is strong—and alledgedly too strong — is like prescribing cod liver oil for a child suffering from diarrhoea.

There is only one way to prevent import controls being offset by a further rise in sterling and a decline in exports. The "com "plex combination of official sale of sterling, relaxation of fiscal and monetary policy and inspired rumours," which the

... anyone who believes this will believe anything ...

authors say would be required to bring about devaluation, would also be required to prevent sterling rising and exports falling in the face of import controls.

But if it is safe to expand domestic demand and take risks with the price level, why not do so directly? Sterling would then depreciate without any need for import controls. What is crystal clear is that it is impossible to superimpose import cotrols on top of existing monetary restraints — as some silly-clever MPs argue — without obtaining the opposite result to what they desire.

By far the best detailed study of the Cambridge cast is by Mr. Maurice Scott, et al, in *The Case Against General Import Restrictions* to be published shortly by the Trade Policy Research Centre (1, Gough Square, London, EC4A 3DE)—its one fault being to treat the CEPG with excessive respect. Like others before him Mr. Scott devotes a lot of space to showing the inferiority of import controls to normal monetary and fiscal stimulation —which would automatically bring devaluation—under conditions when demand can safetly be stimulated.

It is only on this assumption that it *is* even possible to compare import controls with alternative policies. But Mr. Scott's own view is that to expand demand by *any method*—with or without import controls—would lead to faster and faster inflation unless wage fixing behaviour can be changed. In his previous work *Can We Get Back to Full Employment?* he states that the problem lies in a level of real wages relative to profits, too high for full employment.

This may be true; or Mr. Scott may understate the self-correcting forces existing even in the face of union monopoly. But import controls are as wrong-headed in the face of the problem of overpowerful unions—or over-timid Ministers —as they are in the face of a supposedly overvalued exchange rate.

As Mr. Scott points out, "With less foreign trade, the bargaining strength of labour in particular industries protected by import restrictions would be strengthened. Employers, themselves less subject to foreign competition, would offer less resistance to wage demands."

This is precisely why import controls have such appeal in cer'ain circles.

Even more succinctly, for the UK to seek salvation through import controls would be "like the man who has failed to hold down a succession of jobs and finally, in desperation, takes to the bottle."

Samuel Brittan

Letters to the Editor

Predicting trends

From Mr. N. Travers

Sir,—Sadly, nobody pays me a pretty comfortable salary to predict values for sterling (Anthony Harris, April 10) or future interest rates for that matter. But I am prepared to predict how sterling and interest rates, and inflation for that matter, will perform this year—and eat a handful of clean pound notes if proved wrong.

All will depend on our trade performance. The pound will follow the trade balance, because it has followed the trade balance consistently since it was floated some nine years ago. Inflation will follow the trade balance, because it has consistently followed the trade balance for the past decade (my records only go back to the beginning of 1970). Interest rates will move in line with the trade balance, because the Bank of England—far from wrapping interest rate policy in enigma — has always linked rates closely to its trade expectations.

How will trade perform? Encouragingly, if Government helps exporters. Discouragingly, if the authorities continue to hog resources. Your recent comments on the reality of government spending cuts suggest a gloomy view. But, on the other hand, oil may calm all troubled waters.

Nicolas Travers.
Birchfield Cottage,
Middle Green, Slough.

Benefiting the shareholders

From Mr. R. Picton

Sir,—The purchase of 25 per cent of the equity of Consolidated Gold Fields by De Beers and other parties received criticism in the Press. One aspect which has been dwelt upon is the suggestion that De Beers could have made a tender offer for the 11 per cent of CGF which was bought on February 12 at 616p, compared with a closing market price of 525p on the evening before. I concern myself with two limited aspects on this point alone.

If, as seems evident, De Beers' partial objective was to ensure that CGF remains an independent group, could it have achieved this aim in practice by a tender offer? It was widely rumoured that Afrikaaner interests in South Africa were actively interested in CGF and a tender offer by its very nature could have triggered off heavy purchases by others in the market. A full bid for CGF by such parties never appeared likely.

The total purchases of 25 per cent of CGF, shares drew market attention to an undervalued situation and raised the share price to the benefit of all shareholders. For example, between January and August 1979, CGF shares performed very poorly aginst the price of gold, despite the fact that its other interests were also doing well. I choose August 1979 as a datum point since the large buying of CGF shares does not appear to have begun in real earnest by that stage.

	2/1/79	15/8/79	% Change
CGF	183p	221p	+21
Gold Price	$225	$300	+33
FT Gold Index	97	147	+51

Since August 1979, both the prices of gold and of gold related shares have fluctuated violently, but at the time of writing the position is as follows:

	15/8/79	15/4/80	% Change
CGF	221p	470p	+113
Gold Price	$300	$497½	+66
FT Gold Index*	147	291	+98

* All ex-dollar premium

Since De Beers entered the picture, therefore CGF shares have out-performed both the price of the metal and the gold share index.

It may be regrettable that every shareholder did not have an equal opportunity of selling at least part of his shareholding at the bid price on February 12, but the effect of De Beers' operations has been to the advantage of all shareholders of CGF.

R. J. F. Picton.
Lothlorien,
Long Grove,
Seer Green, Bucks.

Outrageous traducement

From the Chairman, Senate of the Inns of Court and the Bar.

Sir,—In Monday's edition, your correspondent Justinian has seen fit to comment on the disciplinary procedures of the Bar. "How a governing body deals with its own members." His thesis was that since there was no lay representative on the Tribunal, a barrister gets away lightly. He even ended his article with "the law knows best how to protect its own"—a tired cliche invariably trotted out by the ignorant whenever lawyers are mentioned.

Had he taken the slightest trouble to inform himself, Justinian would have found that there is lay representation at each stage of the Bar's disciplinary procedures. There is a layman on the professional conduct committee which deals initially with complaints against barristers. The committee does not reject a complaint unless the lay representative agrees. When a complaint reaches and is tried by a disciplinary tribunal, there must again be a (different) lay representative amongst the five members.

It is nothing short of outrageous that a correspondent in a reputable newspaper should traduce the procedures of a professional body on a wholly inaccurate basis of fact. As his name implies, Justinian should bring himself up to date—and meanwhile apologise publicly.

Peter Taylor, Q.C.,
The Senate of the Inns of Court and the Bar,
11, South Square,
Gray's Inn, WC1.

Costs and prices

From Sir Alan Neale

Sir,—"The higher the rate of inflation compared with the Government's monetary growth targets, the deeper will be the deflationary trap in which the economy will be caught." What a splendid sentence from your important leader (April 12) on the "monetary battlefield." Now that we enjoy monetary restraint, strong inflation and deep deflation go together. One sees what you mean, but is it not time to stop using the metaphor of inflation, with its implication of undue pressure on resources, when we simply mean the rate of increase in costs and prices which plainly has nothing to do at present with pressure on resources?

It is important that you have come to accept that monetary restraint has no direct or automatic effect on costs and prices but, as you say, merely produces unpleasant effects in the form of reduced activity and employment. Sooner or later, you say, these secondary effects are bound to restrain inflation pressures. This can only mean that you have re-established the Phillips Curve. May we now have a chart in the Lombard column to illustrate this relationship? Without the figures in front of me, my strong impression is that with 1.5m unemployed, the average rate of income settlements is about twice what it was with 750,000.

(Sir) Alan Neale.
37, Stormont Road, N6.

Depressed by a 42% increase

From the Head of Public Relations, Borough of Stockport

Sir,—While most of my local government colleagues wallow in euphoria, following our recent pay settlement, I feel depressed by it all. But my colleagues cannot understand my reaction.

After all, I am 28 per cent better off now than this time last year and with my July pay award likely to be 14 per cent, I shall soon be 42 per cent better off.

I cannot but wonder who is going to pay the 42 per cent uplift in my remuneration and how they are going to do it? Certainly, I have not increased my productivity by 42 per cent, and as far as I can tell, nobody else has either. Indeed, I am acutely aware that in a world recession, our GDP is likely to shrink and that the profits of the market sector (wages and dividends) that go to pay for the likes of me are being squeezed to a virtually negative return.

In short, there is nobody to pick up the price tag of my pay rise and sooner or later I am going to be worse off along with everybody else; in which case I would rather have not had this inflationary, economically impossible wage award.

A rise of 42 per cent will "lock" me into local government because to leave it now, I would require a 75 per cent rise on last year's earnings to make it worth while. This illustrates the problem of switching resources from the welfare sector into the market sector on which the nation's economic well-being ultimately depends.

In the past year, three of my colleagues moved from local government into the private sector in order to improve their standard of living. They are now worse off than they would have been had they not done so.

Two things must be understood by those of us in local government: at the present time our economic worth to society is less than it was a few years ago, and attempts to cheat this evaluation by phoney comparability studies will be self-defeating; and if we want to improve our living standards then we must enter productivity bargaining, something which the union has studiously failed to do. There is no activity in local government which cannot be measured for the purpose of identifying output. Admittedly, there is a quantitative element that poses difficulties, but it is not insuperable and certainly not unique.

In the meantime I cannot afford not to take my 42 per cent rise because I shall be expected to pay my share of the bill eventually whether I like it or not.

B. P. Murphy.
Town Hall, Stockport.

Poor pay offered

From Mr. J. Atcherley.

Sir, — Regularly scanning recruitment advertisements, particularly for chartered engineers, I am constantly astonished at the low salaries being offered by industry and technological establishments. In some cases starting levels of below £4,000 p.a. are being offered for experienced people with degrees and/or professional qualifications. For many engineering appointments no saleries are quoted at all, merely being described as generous or attractive; to whom?

Bearing in mind that many unskilled jobs now yield £5,000 p.a. or more, how are we to attract the right people into the engineering profession, on which, we are constantly being told, our future industrial prosperity depends?

In the light of this situation, proposals in the Finniston Report would appear to be no more than cosmetic.

J. D. Atcherley.
Castle Grove House, Chobham, Woking, Surrey.

Levels of rents

From Mr. R. Kitzinger.

Sir,—Mr. Jones (April 2) and Mr. Jensen (April 10) are probably quite right to draw attention to the unfair manner in which the "fair rent" legislation has worked for small private landlords. There is, however, another side to the story. "Fair rent" registrations in some part of London have driven rents up to very high levels, with the result that many private tenants of long standing have been forced out.

In my area there are many flats and houses which were outside the Rent Act until 1973. Rents for these properties naturally sk-rocketed during the early years of the operation of the Rent Act, from 1965 to 1972. When rent regulation was extended to these properties in 1973, rent assessment committees used these inflated market rents as "comparables" for the purpose of determining fair rents, not only for those newly regulated tenancies, but also for properties which had been rent-regulated since 1965. The result is that "fair rents" for the latter are now at a level which is about 200 per cent above that ruling before 1973.

The scarcity clause (Section 70 (2) of the Rent Act) was intended to shield tenants from the effects of an excess of demand over supply. It does not distinguish bewten an excess caused by an influx of people or by inflation, but this protection has proved useless because the House of Lords, in an extraordinary decision (Mason v. Skilling 1 WLR 1437-1974), ruled that rent assessment commitees could do almost anything they liked, and that landlords should receive a fair return on the value of their properties with vacant possession. This House of Lords judgment completely perverts th operation of the Rent Act, although, to their credit, rent assessment committees have shown some moderation in exercising the powers which they have been givn.

Representations have been made to the Minister of Housing, recommending that the scarcity clause be classified. It was suggested that the portion of rents which is attributable to services, repairs and maintenance should be index-linked, and that the remainder should be more or less at the level which rent assessment committees had established prior to 1973. These representations were ignored.

Moreover, the Housing Bill proposes to reduce the period for which "fair rents" are determined from three years to two years. This will cause additional worry and work for tenants, and incidentally will have the effect of doubling rent officers' workload in the third year after the amendment takes effect and in every alternate year thereafter. If the period is to be changed at all it should be lengthened, thereby reducing administrative costs and giving tenants increased security.

It is too much to hope that these defects in the Housing Bill will be removed in the committee stage, and it would probably be better if the Bill, or at least that part of it that attempts to improve the Rent Act, were withdrawn and redrafted after proper consultation with those on both sides who have had experience of the working of hte Rent Act.

R. Kitzinger.
31 Oakwood Court, W.14.

Crownhill Down

From Miss K. Ashbrook.

Sir,—The environmental problems of reopening Hemerdon mine, near Plymouth (April 9), are immense. As its recent applications for test borehole drilling indicate, Amax hopes to extend its workings beyond the already desecrated Hemerdon Ball on to the as yet unspoiled Crownhill Down. This ridge, of paramount landscape, recreational and archaeological importance, is undeniably of national park quality, although not at present within the Dartmoor National Park boundary. The Down is valued by Plymouthians, being the closest stretch of moorland to their rapidly expanding city; it commands superb views of Dartmoor, Plymouth Sound and Cornwall, and is richly endowed with prehistoric monuments.

There is a strong presumption against the destruction of Crownhill Down. At the 1971 English Clays public inquiry, plans to dump china clay waste here were resolutely opposed by the county council and other local authorities, the Countryside Commission and national and local amenity societies, causing the inspector to conclude, and the Minister to endorse, that the Down should be spared.

Any proposal to sacrifice Crownhill Down for low-grade metal ores will also be strongly resisted, for we cannot afford to lose such splendid and valuable open country.

(Miss) Kate Ashbrook.
26, Wonford Road, Exeter, Devon.

Today's Events

GENERAL

UK: Senior management at BL Cars meet union leaders to discuss strike over pay package.

Balance of payments current account and overseas trade figures (March).

British Aerospace annual report.

Central Transport Consultative Committee annual report.

Overseas: Venezuelan President Luis Herrera Camplins addresses European aPrliament in Strasbourg.

PARLIAMENTARY BUSINESS

House of Commons: Employ-Bill, remaining stages.

House of Lords: Debate on reports of the European Communities Committee on the CAP, EEC sugar policy and EEC agricultural cost-cutting and price proposals. Debate on water pollution.

Select Committee: Welsh Affairs. Subject: Role of Welsh Office and associated bodies in developing employment opportunities. Witnesses: Welsh Development Agency (Room 16, 10.30 am and 4.30 pm). Environment. Subject: Council house sales. Witnesses: London Borough of Wandsworth (Room 15, 10.30 am).

OFFICIAL STATISTICS

UK banks' assets and liabilities and the money stock (mid March). London dollar and sterling certificates of deposit (mid-March). Index of industrial production (February provisional).

COMPANY MEETINGS

Berisfords, Congleton, Cheshire, 11. Blagden and Noakes, Connaught Rooms, Great Queen Street, WC, 12. T. F. and J. H. Bdaine, Hunslet, Leeds, 3.15. Greenfields Leisure, Bishopsgate, EC, 12. Rolls-Royce Motors, Churchill Hotel, Portman Square, 12.

Myson Group jumps to £2.1m

IN LINE with the substantial improvement forecast in the last annual report, pre-tax profits of Myson Group jumped from £1.25m to £2.1m for 1979, on turnover up by £11.4m to £58.31m. The group designs and manufactures heating, ventilating, air conditioning and industrial heat-transfer equipment.

When reporting first-half profits ahead at £1.13m (£0.73m), the directors said the encouraging trend had continued into the second period and the order position remained buoyant.

The full year's result was struck after writing off research and development expenditure of £346,731, which reflects a change in accounting policy with all research and development costs now written off in the year in which they occurred. Comparatives are restated.

Interest charges increased from £1.42m to £2.2m. After a tax credit of £52,397 (£69,134 charge) earnings per 10p share were lifted from 12.34p to 22.44p. A net final dividend of 2.3p makes a total payment of 3.8p, against 2.75p.

Available profits are reduced to £1.84m by capital losses of £10,627 and by creating an additional provision of £0.3m in respect of guarantees given by the group in 1976 on behalf of CTC, the foreign subsidiary in liquidation.

VARNAMO RUBBER

The Varnamo Rubber Company (UK) has been established as the UK marketing subsidiary of AB Varnamo Gummifabrik, of Sweden.

The parent company is an established manufacturer of rubber sheet, mouldings and extruded rubber products for the Swedish and other markets, with worldwide sales of £12.5m.

Hawker Siddeley down to £108m as strikes take toll

INDUSTRIAL UNREST in the UK and the upward movement of oil and other base commodity prices worldwide were reflected in pre-tax profits of *Hawker Siddeley Group*, the engineering concern, which fell from a record £118m to £107.8m for 1979. Sales improved from £1.01bn to £1.11bn, although direct exports from the UK dropped from £361m to £314m.

At the halfway stage, when pre-tax profits were down from £55.6m to £53.1m, Sir Arnold Hall, the chairman, warned that the second six months would have to carry the cost of the national engineering strike which affected the majority of the group's UK-based units.

On a current cost basis, in accordance with SSAP 16, 1979 pre-tax profits were down to £57.7m, against £85.9m previously. After tax and minorities, profits attributable to Hawker were £18.6m (£42m).

Historical trading profits slipped from £105.1m to £101.2m for the year, struck before reduced interest receivable of £6.6m (£12.3m).

A divisional anlaysis of sales and trading profits shows: electrical engineering £517m (£432m) and £42.5m (£38m); mechanical engineering £383m (£407m) and £37.1m (53.2m), and Hawker Siddeley Canada—mainly mechanical engineering—£210m (£168m) and £21.6m (£14.5m) respectively.

With SSAP 15 applied, tax charge decreased from £38.7m to £31m and net profits came out at £76.8m against £79.3m. Earnings per 25p share are given down at 32.2p (36p), but the dividend total is increased from 7.5p to 8p net with a final of 5p.

There were extraordinary debits of £7.9m (£27.1m credits). Unfavourable sterling conversion of overseas net assets at £7.9m was slightly higher than the previous year's £7.3m. However, a net surplus of £33.5m arose last time from the excess of compeanstion over the book amount of shares in the group's former UK aerospace companies.

The chairman says that 1979 was a year in which major issues affected almost every part of the business.

Political changes in a number of major markets, such as those in Iran, affected the group's business in many parts of the world. The upward movement of oil and other base commodity prices brought hesitation in demand as customers sought adjustment to the new conditions.

In the UK, national industrial action, particularly the transport and engineering strikes, was aggravated by the more local unrest which the background of national dissension brought with it.

"The cost of this background shows as a reduction in the UK's competitiveness in international markets which leads the customer to place business in other countries."

The strengthening of sterling has added to this effect and as a result, a number of downward capacity adjustments had to be made during 1979 in UK operations.

Net cash in hand at the year end was £83.8m, against £153.2m a year earlier. During 1979, capital expenditure on fixed assets totalled £59.8m.

See Lex

HIGHLIGHTS

The new tap this morning looks sure to be sold at a premium over the mininum tender price after the strong rise in the market yesterday. On the company front Lex looks at three main stories. Rio Tinto-Zinc produced a better-than-expected result with a strong performance in the UK and generally higher metal prices sausing a surge in pre-tax profits to £453m. Hawker Siddeley's profits are down but the underlying performance in the UK is even worse than the bald figures suggest. Finally Lex comments on the figures from Burmah Oil which celebrates a massive jump in profits with a 5p final dividend. On the inside pages W. H. Smith's results are disappointing and Servis washing machine manufacturer Wilkins and Mitchell, ran into trouble in its second half.

Owen Owen down by £365,000

A DROP of £365,000 in pre-tax profits is reported by Owen Owen, departmental stores, for the 52 weeks to January 26, 1980, and this is mainly due to a 40 per cent fall in the Canadian operations.

Profit before tax was £2.58m against £2.95m from sales up from £98.14m to £100.15m, excluding VAT. The company reported a loss of £210,000 against £95,000 profit at the halfway stage.

After tax slightly higher at £680,000 against £661,000, stated earnings per 25p share are up from 19.67p to 19.86p, and have been calculated on profit before extraordinary items, after excluding prior period tax adjustments comprising 1980—£6,000 charge, 1979—£345,000 credit. The final dividend is raised from 2.5008p to 2.7p, making the total 3.7p against 3.1908p.

Extraordinary credits of £780,000 (£609,000) represent in both years, profits less losses on disposal of property interests and, in 1979, the settlement of a Canadian property expropriation claim, after tax adjustment and, in 1979, minority interests.

Interest charge leaves W. H. Smith £1.6m lower

AFTER AN interest charge of £2.12m against interest receivable of £0.92m, taxable profits of W. H. Smith and Son (Holdings) fell to £18.62m in the 52 weeks to February 2, 1980, compared with £20.19m for 52 weeks last time.

Pre-tax profits declined from £4.08m to £2.93m in the first eight months, and directors said then that, if the present increase in retail sales continued through the important Christmas period, results for the final four months would be better than those of the corresponding period in 1978-79.

In the event, retail margins were affected by an unusually competitive Christmas period and taxable profits for the final four months slipped back to £15.69m (£16.11m).

The dividend is lifted from 3.133p to 4.2p net with a final of 2.8p.

Group sales went ahead from £474.13m to £570.85m and at the trading level, profits were up from £19.61m to £20.71m after charging depreciation of £7.02m (£4.84m), and an exchange loss of £0.52m (£0.19m gain), and crediting profits from the sale of properties of £1.03m (£0.78m).

Profits of retail newsagents, booksellers and stationers rose from £15.86m to £18.28m and a new DIY operation, acquired in March 1979, produced £1.09m, in line with expectations.

But the surplus from wholesale newspapers and magazines fell to £3.9m (£4.39m) and losses of wholesale book selling deepened from £0.99m to £3.02m.

Advertising contracting produced profits of £0.35m).

The substantial interest charge this time reflects the financing of additional working capital and the acquisitio nof LCP Homecentres.

Tax takes £4.93m (£2.35m) and after minorities' profits of £10,000 and an extraordinary debit of £561,000 last time, the net surplus emerges at £13.68m (£17.27m). Earnings per 50p share are shown at 16.2p (21.1p) before the extraordinary item and 16.2p (20.4p) after.

● comment

Yesterday's disappointing figures from W. H. Smith sent the share down 14p to 132p; pre-tax income fell almost 8 per cent after resting on a plateau since 1978. No fewer than five major factors contributed to the unfortunate showing, the most significant being a £3m loss in the group's book wholesaling division. About half of this loss occurred in the States where management problems and a flat market cost dearly. Meanwhile, a second expense for W. H. Smith was the £2.1m interest charge inspired mostly by its investment in the DIY sector. This was partly offset by a £1m first-time contribution from this new interest. The Christmas period was not particularly good and although retailing earnings rose 15 per cent, margins were squeezed by the group's price-cutting campaign. Records, toys and games were particular problems. Distribution difficulties and a lack of cover price caused a drop in newspaper and magazine wholepaper profits. Finally, the group suffered a currency loss of £½m on the conversion of assets in North America. The dividend has been increased by a third and yields 4.6 per cent while the p/e comes to nearly 8 on stated earnings.

Dewhirst higher at £1.68m

DESPITE MORE difficult trading conditions following the VAT increase, I. J. Dewhirst Holdings, maker and wholesaler of clothing, continued its progress in the second half of 1979-80 and pre-tax surplus for the year ended January 18, 1980, reached a record £1.68m, compared with £1.3m, on turnover up from £15.28m to £18.26m. First-half profits had risen from £0.6m to £0.78m.

Earnings per 10p share are shewn up by 1.75p to 10.38p and the dividend total is effectively lifted from 1.1775p to 1.8p net, with a final of 1.3p. A one-for-three scrip issue is also proposed.

Tax for the year increased from £146,800 to £218,900.

Wilkins & Mitchell tumbles

LOSSES OF £511,000 in the second half, mainly due to the engineering dispute and an internal strike, left Wilkins and Mitchell with pre-tax profits of £7,000 for 1979. This compares with £939,000 for the previous 39 weeks.

Trading profits of the group, which makes Servis domestic appliances and power presses, amounted to £652,000. Last time the surplus was £744,000, excluding losses of £441,000 for the Australian subsidiary which went into receivership in December 1978.

Interest charges jumped from £202,000 to £530,00. Exceptional debits this time of £115,000 included £146,000 redundancy costs. In the previous 39 weeks there were credits totalling £838,000 which included £1.05m relating to adoption of new term of maintenance contracts.

Mr. Henry Wilkins, chairman, says the second half was marred by the national engineering dispute which affected both divisions. In addition, the annual wage review based on productivity caused the first strike for five years in the washing machine plant which stopped production for five weeks.

The cost of these disputes resulted in an estimated loss of profit of more than £1m, he adds.

A net final dividend of 1.46p gives a total for the year of 2.21p, compared with 1.66p for the previous nine months. Earnings per 25p share are given as 4.3p (9.4p).

● comment

Coming on top of the engineering strike the five weeks dispute at Servis wiped out Wilkins and Mitchell's second half trading profits and after a hefty jump in interest charges there is a £511,000 pre-tax loss for the closing six months. The number of washing machines and dryers produced fell by 47,000 to around 250,000 and a measure of the problems can be gauged in the divisional split. Power Press manufacture normally chips in about a quarter of profits but last year it accounted for about half. With the absence of strikes W and M's profits should look much better in 1980. Yet sight of that extra interest charge could make some followers of the company wince. W and M has borrowed a further £2m to finance increased capacity, which stirs memories of earlier expansion plans and the resulting cash flow problems. The outlook for washing machine sales generally in the UK is flat so while recovery may be in hand any real advance for Servis looks unlikely. Meantime power presses have a large export content and margins have inevitably come under pressure. Evidently a good start has been made to the current year but at 26p where the market capitalisation is only £1.66m and the yield is nearly 13 per cent it is hard to feel confident over the long term.

DIVIDENDS ANNOUNCED

	Current payment	Date of payment	Corre-sponding div.	Total for year	Total last year
Wm. Baird & Co.	7	July 1	5.04	12.25	10.37
Barrow Hepburn	1.4	June 6	1	2.2	1
Beauford Group	2.75	—	2.53	4.15	3.73
Berwick Timpo	4	Sept. 15	1.57	6	3.33
Burmah Oil	5	July 3	nil	6.5	nil
I. J. Dewhirst	1.3	July 1	0.8*	1.8	1.18*
Downiebrae Hldgs.	2.1	July 1	1.81	3	2.56
Gopeng Consld. int.	6	July 2	5	—	25
Hawker Siddeley	5	July 3	2.46	8	7.5
High Gosforth Park	14	—	12	14	12
Holyrood Rubber	28	May 30	28	42	40
Hong Kong (Selangor)	30	May 30	20	38	28
Kalamazoo int.	1.25‡	May 22	1.11	—	3.75
Kuala Selangor	8	May 30	7	12	9.5
Llnread int.	1	May 27	1	—	3
Martonair Intl. int.	1.95	May 15	1.75	—	6.75
Myson	2.3	June 4	1.5	3.8	2.75
Owen Owen	2.7	June 13	2.5	3.7	3.19
Parambe	0.5	—	0.4	0.5	0.4
Portals	6.75	July 1	4.94	—	8.79
Provident Life	5.6	June 2	5.02	10.2	9.12
Richardsons Westgarth	2.45	July 1	1.5	3.5	2.55
Rio Tinto-Zinc	10.5	July 1	8	15	11.5
Wm. Sindall	4.5	July 10	4.47	4.5	4.47
W. H. Smith	2.8	July 7	2.34	4.2	3.13
Sun Life Assnce. 1st int.	3.75	July 1	1.91	—	6.54
Sun Life Assnce. 2nd int.	3.75	Dec. 31	nil	—	6.54
Wilkins & Mitchell	1.46	June 23	0.91§	2.21	1.66§

Dividends shown pence per share net except where otherwise stated.

* Equivalent after allowing for scrip issue. † On capital increased by rights and/or acquisition issues. ‡ To reduce disparity. § For 39 weeks.

Burmah's dividend well above forecast as profits soar

A 293 PER CENT pre-tax profit increase and a final dividend well in excess of forecast are reported by Burmah Oil Company for 1979.

At mid-term, when profits were ahead from £2.78m to £20.19m, the company re-entered the dividend list with an interim payment of 1.5p net. The directors said then that they expected to recommend a final dividend of not less than the interim amount. In the event the final is 5p on profits £50.21m higher at £67.34m.

The year's operating profit, at £82.97m (£28.84m), included an exceptional credit of £12.97m and was after charging depreciation, depletion and amortisation of £23.91m (£19.98m).

Last July the company reached settlement agreements with Pertamina and other parties, with certain of which Burmah had joint venture arrangements dissolved and all associated litigation between Burmah and the various parties terminated.

As a result, provisions forming the exceptional credit, mainly in respect of past charter hires, were released to profits. The effect of this was to convert a £8.51m (£22.92m) loss on shipping to a profit of £4.46m. The trading improvement reflects a further reduction in the number of vessels and higher market rates.

Other than shipping, a hardening of oil retail prices enabled the UK refining and fuels marketing business to make a positive contribution to operating profits for the first time in many years. Castrol improved its profits both in Britain and overseas, while the group's interest in the Thistle oilfield contributed some £13m as production continued to rise. Halfords, Quinton Hazell and the industrial products and engineering groups all improved their performance.

Earnings per £1 stock unit jumped from 4.71p to 29.92p, after tax of £22.65m (£8.5m) and minority profits of £649,000 (£871,000).

There were extraordinary credits this time of £4.97m, compared with debits of £3.42m,

See Lex

Further recovery for Richardsons Westgarth

FURTHER RECOVERY was achieved by Richardsons Westgarth and Co. in the second half of 1979 and the group ended the year with a pre-tax surplus of £1.37m, against a loss of £0.64m previously. In the first six months there was a turnround from a deficit of £0.31m to profits of £0.41m.

The engineering services and stockholding and merchanting activities increased their profits for the year. Losses were reduced at the Humber Graving Dock and Engineering Co., while there was a small deficit at R. W. Transmissions.

Turnover rose £8.2m to £45m. Interest payable was halved from £0.28m to £0.14m and the 1978 loss included an exceptional debit of £0.39m.

Earnings per 50p share are given as 10.3p, compared with a 2.3p loss. The dividend total is raised from 2.55p to 3.5p net, with a final of 2.45p (1.5p)—an increased final had been foreshadowed at the interim stage.

• comment

The market was impressed by Richardson Westgarth's strong second half, which left year-end profits £2m ahead of 1978, and the shares rose 5p to 39p. They yield 13.7 per cent, of which one beneficiary is M and G, holding some 20 per cent. The loss elimination looked for at the interim is continuing. Humber Graving Dock, following retrenchment, probably halved its 1978 loss, which stood between £1m and £2m. It may be at break-even by the end of the current year, with the company seeing a healthy inflow of business. Engineering manufacture was slack, with the only useful profits from boilermaking, but stockholding and merchanting continued strongly. The fully-taxed p/e is a historic 8.4 which looks modest if loss elimination is carried through.

All divisions help lift Portals to record £11m

RECORD SALES and profits for 1979 are reported by Portals Holdings, the banknote and security paper, and water treatment and engineering group. The directors say they have set their sights at a higher target for the current year, but its achievement must be subject to some of the influences of the current economic scene.

The pre-tax surplus rose by 15 per cent to £11m in 1979, on turnover, excluding inter-company sales, 21 per cent higher at £100.62m. These increases reflect progress in all divisions.

Mid-term taxable profits were up from £4.11m to £4.51m.

The net total dividend is raised from 8.79405p to 11p, with a final of 6.75p. Earnings per 25p share are shown to have advanced by 60 per cent to 40.3p (25.19p). Net asset value per stock unit is given as 212p (188p).

The reduced tax charge of £3.66m (£5.01m) reflects a £1.16m credit arising from the release of the deferred tax provision for UK stock relief for 1973 and 1974.

On a CCA basis, the pre-tax surplus was reduced to £8.09m for 1979, with stated earnings per share at 24.18p.

Trading profits of the papermaking division rose by 11 per cent to £5.63m, on sales 20 per cent ahead at £29.14m. Demand for security paper products was strong by the year-end and the trend has continued.

The directors look forward to reaping some benefits from the major capital expenditure at Overton Mill.

In water treatment and engineering, turnover and profits both increased by 20 per cent to £75.72m and £5.16m respectively. Opportunities for further improvement in 1980 are seen.

Property profits advanced from £604,000 to £960,000, on turnover of £1.95m, against £1.05m.

Liquidity declined by just over £2m during the year, due to acquisitions and expenditure on modernisation and renewal of fixed assets.

	1979 £000	1978 £000
Turnover*	100,616	82,944
Profit before tax	11,002	9,566
Tax	3,662	5,006
Minorities	35	68
Extraordinary debits	552†	1,498
Attributable	6,753	2,994
Preference dividends	32	32
Ordinary dividends	1,985	1,557
Retained	4,736	1,405

*Excluding inter-company sales †Including goodwill write/offs arising from minor acquisitions by water treatment and engineering division in 1979

The group moves into 1980 with negligible gearing and comfortable liquidity, the directors say.

• comment

Profit growth at Portals exceeded 10 per cent for the eighth consecutive year and the thinly traded shares gained 6p to 282p on news of last year's 15 per cent profit rise. The company's drive for export markets to compensate for the decline of UK spending on water treatment plants is paying off and further growth is expected from forays into the U.S. market wih specialised systems and the acquisition in February of Wright Chemical in Chicago. The group does well everywhere on repeat sales of chemicals for its plants. On the papermaking side, all the main emerging competitors to American Express for the world travellers cheque market have opted for Portal's mould-made watermark paper. The Bank of England, which takes 15 to 20 per cent of the group's paper output, is about to launch a £50-pound note but the Treasury may launch a £1 coin, which makes Portals rather nervous. The group has an undemanding rating with the price at 8.8 times fully taxed earnings and the yield at 6.15 per cent. CCA pre-tax profit is a strong £8.1m.

Wm. Baird sees 43% advance and expects further progress

REFLECTING improvements in both its major divisions and a sharp increase in investment income, William Baird and Company, textiles, engineering and investment group, reports a rise of some 43 per cent in 1979 pre-tax profits to £7.81m against £5.46m.

Trading in the first quarter of 1980 has not been unsatisfactory, say the directors, and this encourages their view that some further progress can be made during the year, supplemented if opportunities arise by strategic acquisitions.

As indicated at midway, the final dividend is 7p, making a net total of 12.25p compared with 10.3651p.

In a year which the directors say was marked by unusually wide swings in consumer demand, profits of th etextiles side rose £4.02m to £5.45m. Although the prospect for 1980 is even less inviting than it was for 1979, the textiles division is stronger and more competitive and hopes to show some further improvement in its performence.

Wilfred Verber, acquired in July, found conditions difficult in the second half but produced an operating profit of £370,000 and is now well established in the group, say the directors.

Another acquisition, Spiro Household Textiles, was completed recently for £498,000 cash.

Industrial division profits rose from £2.1m to £2.46m, and the directors say they have good reason to hope that 1980 will show similar results.

The reduction in construction site activity reached a significant level by the end of the year, and conventional insulation contracting remained the major contributor to profit for the division. Manufacturing output increased due to penetration of new markets.

Investment income jumped from £0.46m to £1.51m, including dividends received from Dawson International of £0.56m (£0.37m), and the services division produced £448,000 (£332,000) before deducting attributable interest of £325,000 (£189,000).

The three companies which made up the services division have now been sold separately, realising £1.2m after all expenses — a sum equivalent to the net asset value.

Group turnover advanced from £116.94m to £136.99m, and the taxable surplus is struck after central expenses of £350,000 (£318,000) and interest charges of £1.71m (£1.13m).

After tax of £2.3m (£1.63m) and minorities' profit of £17,000 (£20,000 loss), stated earnings per £1 share are 33.3p (23.3p). Dividends absorb £2.02m (£1.71m).

An extraordinary credit of £9.69m (£6,000) includes the £10.06m surplus realised from the sale of Dawson International in April 1979 after providing £1m for possible tax liability.

Net asset value per share at the balance date was 225p (207.3p) and at £13.25m, cash, deposits and other immediately realisable assets exceeded total debt by £4.4m.

• comment

A creditable performance from William Baird pushed the share price up 5p to 157p where the p/e on stated earnings is 4.5 and the yield 11.7 per cent. This is in line with the sector average but the company probably deserves more given the reassuring statement, the healthy cash position and the fact that it has outperformed most of its textile competitors. Much of the improvement is due to the benefits of cutting out many of the marginal production units in the textiles division but there was also useful input from Verber, the new acquisition, which contributed £370,000. Darchem, the industrial arm, also made solid progress while investments were boosted by the income from Dawson up to the time the stake was disposed of. Supported by the textile links with Marks and Spencer and the highly liquid position Baird should be able to make continued progress in both major divisions—despite the difficulties in store.

Reduced borrowings help push Barrow Hepburn over £3m mark

ALTHOUGH TRADING conditions were more difficult second-half 1979 pre-tax profits at £1.59m against £0.8m, exceeded by £0.13m those of the first six months, giving Barrow Hepburn Group a full year figure well up at £3.04m compared with £1.57m. Turnover improved from £34.81m to £36.02m for the year.

The pre-tax result benefited from reduced interest charges of £0.38m, against £1.43m, arising from the lower level of borrowings. Share of associates' profits increased from £0.28m to £0.44m.

Against a forecast of not less than 1.2p, the final dividend is raised to 1.4p (1p) making a total of 2.2p—no interim was paid in 1978. Earnings per 25p share rose sharply from a restated 2.73p to 7.87p.

With SSAP 15 applied, tax for the year took £1.04m (£0.83m). There were no minorities against £5,000 last time and extraordinary debits fell from £1.79m to £6,000. Comparatives have been adjusted.

Net unrealised exchange losses of £558,000 from the translation of overseas opening net assets at year-end rates will be dealt with as a movement in general reserves.

• comment

After 1978's asset striptease, Barrow Hepburn would seem to have settled down and trading profits earned only marginally forward. The slashed interest charge has resulted in almost doubled pre-tax profits, and an impressive 21 per cent pre-tax return on net capital employed. With only 4 per cent gearing, there is clearly justification for Barrow's intention to extend itself by acquisition, further diversifying out of its traditional leather interests. Almost half Barrow's profits come from overseas, and sterling's strength coupled with national disputes hitting its major foreign subsidiary in Italy held back profits. The settlement reached in Italy should help the current year along, and on a 9.6 per cent yield at 34p, up 1p, the fully-taxed historic p/e of 5.4 looks undemanding.

STOCKBROKERS CHANGE NAME

Sandelson and Co., the stockbroking firm, is to change its name to Bone Fitzgerald and Co.

A former chairman of the firm, Mr. Alan Knapp, was expelled from the Stock Exchange in 1978 following controversial dealings in a Hong Kong broking company owned jointly by Mr. Knapp and Sandelson.

Mr. Christopher Bone, who took over the chair from Mr. Knapp in 1977, retains his position. A number of other members of the firm have also been appointed directors.

SPAIN

April 16	Price %	+ or −
Banco Bilbao	222	−2
Banco Central	244	+2
Banco Exterior	206	
Banco Hispano	217	−3
Banco Ind. Cat.	128	
Banco Madrid	152	
Banco Santander	259	
Banco Urquijo	150	
Banco Vizcaya	230	−2
Banco Zaragoza	208	
Dragados	100	
Espanola Zinc	62	
Fecsa	58.5	
Gal. Preciados	30	+1
Hidrola	64.7	+0.7
Iberduero	59.5	+0.3
Petroleos	109	+0.3
Petroliber	59	
Sogefisa	107	
Telefonica	54	
Union Elect.	63.7	+0.2

هكذا من الأصل

RTZ earnings boosted by dearer metals

BY KENNETH MARSTON, MINING EDITOR

BRITAIN'S Rio Tinto-Zinc international mining and industrial giant has exceeded both its own expectations and those of the sharemarket with a 1979 net profit of £149.8m, equal to 59.42p per share. This compares with £102.3m, or 40.59p per share in 1978.

A final dividend is declared of 10.5p net which makes a record total of 15p compared with 11.5p for the previous year. However, it is pointed out that while the latest profit in historical terms is easily the highest achieved by the group, it falls short of the 1973 level when the reduced value of money brought about by inflation is taken into account.

	£ millions	
	1979	1978
Group sales revenue	2,516.6	1,953.9
Group operating profit	449.0	278.8
Associates	34.8	29.4
Div, interest receivable	36.7	28.1
Making	520.5	337.3
Interest payable	67.8	50.3
Group profit before tax	452.7	284.0
Tax	186.5	111.9
Group profit after tax	266.2	172.1
Outside holders	116.4	69.8
Net profit before extra. items	149.8	102.3
Earnings per share	59.42p	40.59p
Extraord. items	(32.9)	(9.8)
Profit after extraord. items	116.0	92.5
Interim div. 4.5p	10.9	8.4
Final div. 10.5p	25.6	19.4
Retained profit	80.0	64.3

As already underlined by the 1979 results of the group's major subsidiaries, the latest advance in earnings is mainly a result of the recovery in metal prices, notably copper, lead and gold which(in turn, have reflected world political uncertainties and the increased lark of confidence in paper currencies.

On the other hand, the strength of sterling has been almost entirely responsible for an extraordinary debit of £32.9m, compared with £9.8m in 1978, which reflected the reduced sterling value of prior years' earnings retained by the overseas sdbsidiaries

Nearly all sectors of the group earned more last year with the controversial Rossing uranium mine in Namibia (South-West Africa) coming right. The small Wheal Jane tin operation in Cornwall which was "rescued" by RTZ in 1979 is expected to resume production by the middle of this year and reach full capacity of some 1,500 tonnes of tin per annum in early-1981 when it should become a useful profit-earner.

So far, the protracted U.S. anti-trust litigation brought by Westinghouse Electric Corporation and the Tennessee Valley Authority claiming heavy damages against RTZ and other uranium suppliers has probably cost RTZ something over £1m. But RTZ does not consider that the eventual resolution of the litigation will adversely affect the group "to a significant extent."

Meanwhile, higher base and precious metal prices coupled with industrial peace and better iron ore prices at the big Hamersley operation will have got RTZ off to a good start this year. Although metal prices have since fallen from their earlier levels they are mostly still above the 1979 averages with the notable exception of lead.

Following the latest results, RTZ shares were marked up 17p to 380p yesterday.

A disappointment for the group was the news yesterday—reported on page 36 — that Australia's Foreign Investment Review Board has blocked the proposed Japanese participation in the group's A$500m (£245m) Australian Blair Athol coal project in Queensland.

New Alumax-BHP smelter in NSW

AUSTRALIA'S Broken Hill Proprietary says that BHP, Alumax and Mitsui have now signed joint venture agreements covering the construction and operation of a A$641m (£318m) 235,000-tonne-per-year aluminium reduction plant in the Hunter Valley region of New South Wales.

The venture will be 45 per cent-owned by the Alumax unit, Alumax of Australia, 35 per cent by the BHP's Dampier Mining and 20 per cent by the Mitsui-led Alfari.

Construction is to begin in mid-1981 and first production is expected in January, 1984.

Unisel Gold profits jump

NET PROFITS achieved by the South African gold mines in the recently merged General Mining/Union Corporation group rose by an average 60 per cent during the March quarter—more than outstripping the 51 per cent rise in the average gold price received during the period.

The best performance came from the new Unisel mine, in which London's Selection Trust has a 34 per cent stake. Unisel's net profits jumped 114 per cent reflecting the increased ore tonnage milled which has almost reached the projected target of 75,000 tonnes per month.

	Qtr. to Mar. 31	Qtr. to Dec. 31
	U.S.$/oz	
Bracken	596	408
Buffels	641	408
Grootvlei	636	428
Kinross	609	413
Leslie	624	409
Marievale	537	421
St. Helena	633	410
Stilfontein	664	409
Unisel	654	421
West Rand Cons.	604	427
Winkelhaak	600	406

Stilfontein's profits showed an increase of 95 per cent thanks to a rise in the grade of ore mined, while Leslie registered a 79 per cent profits rise following increased ore production.

The only disappointing results come from West Rand Consolidated, where net profits fell 12.6 per cent, after a further repayment of State Aid, following lower uranium income and a loss on gold operations.

Average gold prices received and net profit figures are compared in the following tables;

	Mar. qtr. R000	Dec. qtr. R000	Sept. qtr. R000
Bracken	3,721	2,209	2,455
Buffels	32,312	21,957	13,764
Grootvlei	7,463	5,370	3,180
Kinross	10,447	8,501	5,309
Leslie	3,137	1,749	1,884
Marievale	1,704	1,082	918
St. Helena	20,859	13,599	9,758
Stilfontein	19,535	10,026	5,707
Unisel	14,731	6,880	—
W. Rand Cons	†2,502	†2,864	¶*486
Winkelhaak	17,602	11,745	10,139

* Loss. ¶ After receipt of State aid. † After repayment of State aid.

Inco has good first quarter

IMPROVED metal prices coupled with higher sales of nickel have lifted first quarter earnings of Canada's Inco to U.S.$97.5m (£44.4m), equal to $1.21 per share. The big nickel group also announces an increase in the quarterly dividend to 18 cents (8.2p) from 15 cents.

In the final quarter of last year earnings were $69.2m. They amounted to only $0.5m in the first quarter of 1979 because of a strike at the Sudbury, Ontario, operation and the depressed market for nickel.

During the past quarter the loss-making Indonesian and Guatemalan nickel projects reduced group earnings by $10m compared with $22m in the fourth quarter of 1979.

The performance of the Inco Electro Energy subsidiary continued to be disappointing in the past quarter because of poor business conditions in the North American automotive battery market and intense competition in the dry-cell battery markets, it is stated.

Meanwhile, the nickel industry is anticipating some falling-off in sales this year, as reported on page 39. Even so, Inco's chairman, Mr. J. Edwin Carter expects 1980 earnings to be "significantly better" than the 1979 total of $141.7m, although he warned against projecting this year's total on the basis of the high first quarter result.

GENERAL MINING

In the annual report of South Africa's General Mining group the chairman, Dr. W. J. de Villiers, comments that exploration of the Northern Transvaal coalfield has shown that in certain areas there are prospects for the economic recovery of uranium which occurs in or near the coal seams.

The coal appears to be suitable for a wide variety of uses.

Success in court could lift BACO by £10.7m

IF ANTICIPATED litigation between the British Aluminium Company and the North of Scotland Hydro-Electric Board were to be decided entirely in BACO's favour, the net effect would be an increase in pre-tax profits of £10.7m, say the directors in a note accompanying the group's 1979 accounts.

Of this total, £6m would relate to 1979 and the balance to earlier years. Because of unused tax allowances, any additional tax charge would not exceed £1.6m and would not be

BACO, which reported pre-tax payable before 1984, they add. profits down from £25.1m to £20.63m for 1979, is disputing with the board certain charges for the supply of electricity to its Invergordon smelter. Full provision has been made in the accounts, and creditors include £19.38m (£9.99m) for the disputed revenue and capital charge plus provisions, where appropriate, for interest on payments witheld.

The group, which is 58 per cent owned by Tube Investments, is loking for a modest recovery in profits in the current year, Mr. R. E. Utiger, chairfman, tells shareholders in his annual statement, although the resumption of profit growth in real terms may not yet be seen.

Although the problems in UK industry must affect demand, the world market for aluminium remains very strong despite some slackening in the U.S. Production of rolled and extruded aluminium has been at a higher rate so far this year, adds the chairman, and the main threat comes from the squeeze between high inflation and interest costs and competitive pressures made more severe by the strong exchange rate.

At the year end, fixed assets amounted to £81.43m (£77.77m) and net current assets, £51.17m (£60.77m).

On a CCA basis, pre-tax profits were £7.07m (£12.16m) after additional depreciation of £10.17m (£10.73m), cost of sales £4.9m (£3.54m) and gearing adjustment £1.99m (£1.69m).

London & Strathclyde

Gross revenue of London and Strathclyde Trust improved from £336,539 to £527,889 in the six months to February 29, 1980. Net revenue, after expenses and tax, available for ordinary shareholders was £257,943 against £134,189.

Stated earnings per 25p stock unit are 1.79p (0.93p), and the net asset value is 72.2p (62.7p). As known the interim dividend is raised from 0.6p to 0.7p—last year's total was 1.8p from pre-tax revenue of £438,000. A special non-recurring dividend of 0.5p has already been paid for the current year.

OCL betters expectations with 4% growth to £38m

Overseas Containers Ltd, Britain's biggest container shipping group, has increased its 1978-79 pre-tax profits by 4 per cent to £38.1m.

Sir Ronald Swayne, chairman of OCL says that the outturn is "materially better" than anticipated. Given that the number of containers carried only rose by 6 per cent to 318,500 and total revenue was up by just 4 per cent to £360m, OCL has put up a surprisingly good performance.

Sir Ronald says that volume held up well despite increased competition and, although margins were squeezed, OCL felt the effect of this rather later than anticipated. The group, which is owned by P & O, Ocean Transport, British and Commonwealth and Furness Withy, achieved "significant savings" in both land and ship costs.

On OCL's main route, Europe-Far East, the volume of traffic grew modestly but OCL's carryings fell slightly. Revenue showed a small increase but currency fluctuations and increased costs led to lower earnings. In April 1979, OCL started calling at Jeddah on its Eastbound schedules from Europe and this has proved to be an important cushion against the downturn in OCL's Far Eastern trade.

Carryings on OCL's second most important route, Australia/New Zealand, fell slightly and competition increased. However, carryings on the Southern Africa run increased by 30 per cent and after a prolonged period of depression, this part of OCL's business seems to be on the mend.

In the current year Sir Ronald Swayne says that margins are suffering from increased competition on the existing business and profits are expected to fall below those of 1979, and the same goes for 1981.

From December, 1980, OCL will take over P and O's Europe-Arabian Gulf trades and this will lead to a reshuffle in ownership. Under the new shareholdings P and O will have 39.12 per cent, Ocean Transport 30.13 per cent, British and Commonwealth 16.88 per cent and Furness Withy 13.87 per cent.

OCL will put two of its "Encounter Bay" ships (currently being re-engined) onto the run and is considering investing in new tonnage. OCL is confident that this trade can produce attractive profits and has potential for considerable growth.

	Operating Profit £m	Containers '000 Teus
1974/5*	19.9	228
1975/6	40.6	226
1976/7	46.6	256
1977/8	35.0	301
1978/9	33.1	318

*14 months.

Downiebrae 25% ahead at year-end

WITH SECOND-HALF pre-tax profits advancing from £197,246 to £246,634. Downiebrae Holdings, ingot manufacturer, metal merchant, manufacturer of steel profiles and pipe flanges, reports a 25.4 per cent increase from £430,246 to £539,634 for 1979. This figure includes an exceptional profit on disposals of £7,894 against nil.

As forecast at the interim stage, the net final dividend is increased from 1.81p to 2.1p, making 3p against 2.56p.

After tax up from £93,146 to £128,885, stated earnings for the year per 10p share are 5.75p (4.72p), and after adjustment for deferred tax 13.9p.

The year's figures include a credit on deferred tax £580,223 (nil) and goodwill written off £129,907 (nil). The amount to reserves is up from £168,352 to £646,489.

Mr. W. G. Peacock, the chairman, says early figures for the current year are encouraging, in spite of the steel srike. He sees 1980 as a year of consolidation with the commissioning of a new factory near Birmingham, which is under construction.

Turnover for the year was higher at £5.9m against £5.15m.

Beauford in line with forecast

THE directors of Beacford Group were spot on with their mid-term forecast. At half time, when pre-tax profits were up from £289,000 to £339,000, they said that the second half would be affected by the engineering dispute but full year profits would not be less than those for 1978. In the event they were unchanged at £0.59m.

In addition tothe foregoing industrial action, 1979 figures bore substantial setting up costs of the company's U.S. operation.

Turnover improved from £4.87m to £5.94m and the directors state that the order position remains strong.

An increase in tax from £31,716 to £240,472 left the year's net profit down from £555,845 to £352,709. Earnings per 10p share declined from 17.1p to 10.9p and the final dividend is 2.75p net for a 4.15p (3.73p) total, costing £134,875 (£91,478).

Horizon enlarges its fleet

TOUR OPERATOR Horizon Travel has increased from an initial three to seven the planned number of aircraft to be bought by its Orion Airways subsidiary. All are Beoing 737 medium-haul craft.

Orion began operations on March 28 with three 737s, and a fourth to be delivered at the end of this month. Three further aircraft will be delivered next year, and a conditional contract has been signed for a further 737 delivery in 1982, says chairman Mr. Bruce Tanner in the company's 1979 annual report.

Of the current Orion craft, one is on a long lease, and another on a short lease lapsing in 1981. When the first two craft were ordered in 1978, the combined cost was $19m. The price tag on the 1982 plane is $13m.

The planes will carry all Horizon's travellers from 1891. The company expects to carry around half a million people annually in 1982. It says it will finance the acquisitions from its own resources, plus short-term borrowing facilities from Barclays Bank. It wrote off around £150,000 in set-up costs on its 1979 accounts. Orion will have a final payroll of around 200 employees, based at East Midlands airport in Nottinghamshire.

The planes will boost Horizon's profitability by roughly a half before financing costs, says Mr. B. Tanner. In 1979, the company made £3.8m pre-tax, carrying some 300,000 passengers.

Horizon is also extending its operations to carry tourists out of Gatwick from 1981. The move should attract some 30,000 new travellers, mostly from south-of-the-Thames London, says Mr. Tanner.

Rantlodge ousts board of Nationwide Leisure

Rantlodge, a private leisure group which has acquired a 60.69 per cent stake in Nationwide Leisure, the caravan concern, turned out the present board of Nationwide and put in its own directors at an extraordinary general meeting yesterday.

But Rantlodge had to request a poll of six of the resolutions at the meeting to gain its objectives.

Polls were demanded for the removal as directors of Mr. John Gray and Mr. Richard Cox, while other polls were required for the election of all the Rantlodge-nominated directors, who were Mr. Anthony Hanson, Mr. Jeremy Muller, Mr. Vincent Cobb and Mr. Brian Gurnett.

Mr. Hanson replaces Mr. John Hutchings, chairman of Nationwide, who was removed from the board at the meeting.

Some 14,336,674 votes were cast in favour of the resolutions out of the total issued share capital of 21,973,007.

The new board was asked by shareholders to explain its plans for Nationwide and Mr. Cobb, who took the chair for the remainder of the meeting, said Rantlodge intended to broaden the base of Nationwide's leisure side.

One shareholder questioned whether all the material changes that had taken place in Rantlodge's financial or trading position since the date of its last accounts had been included in the unconditional cash offer document, issued in December 1979. Rantlodge replied that it was satisfied all material changes had been included.

In response to another shareholder's question, Mr. Cobb said the new board would consider the possibility of the minority shareholders' representation on the board.

The meeting had been called after directors of Nationwide refused to comply with Rantlodge's request to resign on January 11, the closing date of its offer for Nationwide, at which time Rantlodge held 60.69 per cent of the equity.

Mr. Granville Cutting, a Nationwide director, resigned yesterday before the motion for his removal from the board put.

BOARD MEETINGS

The following companies have notified dates of Board meetings to the Stock Exchange. Such meetings are usually held for the purpose of considering dividends. Official indications are not available asc to whether dividends are interims or finals and the subdivisions shown below are based mainly on last year's timetable.

TODAY

Interims:—S. Casket, Free State Geduld Mines, William Low, President Brand Gold Mining, Président Steyn Gold Mining, Welkom Gold Mining, Western Holdings.

Finals:—Astbury and Madeley, Benford Concrete Machinery, Bentalls, Brocks, C.S.C. Investment Trust, Coral Leisure, De Vere Hotels and Restaurants, East Rand Gold and Uranium, Andrew R. Findlay, General Scottish Trust, Higgs and Hill, Hunting Petroleum Services, Jersey Electricity, Leadenhall Sterling, Lec Refrigeration, London and Holyrood Trust, London and Provincial Trust, Albert Martin, Midland Industries, Northern Engineering Industries, Scottish Mortgage and Trust, Towles, Yorkshire Fine Woollen Spinners.

FUTURE DATES

Interims:—	
M.Y. Dart	April 22
Messina (Transvaal) Dev.	†April 21
Scottish American Investment	June 18
Finals:—	
Allebone	April 25
Amalgamated Metal	April 28
Barr and Wallace Ar. Trust	May 13
Brook St. Bureau of Mayfair	April 28
Clayton, Son	April 18
Corinthian Holdings	April 23
Ellis and Goldstein	April 22
Fornell Electronics	April 22
Fosseco Minsep	April 28
Harrison (T.C.)	April 30
J.B. Holdings	April 22
Scottish European Investment	May 14
Sunlight Services	April 25
Travis and Arnold	April 22
Wilson (Connolly)	April 22

†Amended

V & G—90p payout likely

THE JOINT liquidators of Vehicle and General Group, the motor insurance company which collapsed in March 1971, are to pay out a third interim dividend to creditors this month.

A further and final dividend should be paid "about the end of 1981," Mr. Paul Shewell of Coopers and Lybrand and Sir Kenneth Cork of W. H. Cork Gully, the liquidators, said yesterday.

The second dividend, which was paid in June 1978 amounted to 25p. This latest dividend adds a further 10p giving unsecured creditors so far 60p in the pound.

The final payment should raise this total to 70p, 20p higher than the estimate at the time of the first dividend.

Creditors of Automobile and General, a subsidiary within the group, will have received 70p when the third dividend is paid, and can expect a total of 90p by the end of 1981. For creditors of General and Commercial the two figures are 62.5p and an eventual 72p.

BIDS AND DEALS

Richards & Wallington makes £1.4m purchase

Richards and Wallington has purchased 49.9 per cent of the issued capital of Unit Sales (DIY) for £1.42m in cash out of existing bank facilities.

This represents a multiple of five times that proportion of pre-tax profits of Unit Sales for 1979, as recalculated by R and W in agreement with the vendors.

R and W also has the option to purchase the balance of the capital in a year's time, on the same formula applied to profits for 1980.

Unit Sales operates eight closely located DIY supermarkets in the Midlands. Two new stores will be opened during 1980 and further expansion is planned.

The company's net tangible assets, before providing for deferred tax, at December 31, 1979, were £1.09m. This included surplus cash of some £600,000 which is expected to increase substantially by the time the option to acquire the outstanding 50.1 per cent becomes exercisable.

POLLY PECK/RESTRO

The offer made on behalf of Restro for Polly Peck has closed for acceptances.

Acceptances have been received in respect of 3.08m ordinary (about 58.15 per cent) of the voting rights).

Restro, a private Jersey-based company owned by Mr. Asil Nadir, said at the time of the offer that it intended to maintain Polly Peck's quote on he market.

Newspaper transfer refused

The proposed transfer of the West Somerset Free Press to Bristol United Press "may be expected to operate against the public interest and should not be allowed to go ahead."

This was the unanimous conclusion of the Monopolies Commission in its report. In the light of this Mr. John Nott, Trade Secretary, has decided to refuse his consent to the transfer.

MOSS ENGINEERING ACQUIRES MEADS

Moss Engineering Group has acquired materials handling specialists A. Meads in a move aimed at boosting home and overseas markets for both companies. The consideration for the entire share capital of Meads, based at Cannock, Staffordshire, is £270,000 payable in cash as to £200,000 on completion, and £70,000 on September 1, 1982.

A further sum up to a maximum of £50,000 is payable provided aggregate pre-tax profits exceed £200,000 for the two years ending August 31, 1982.

Net assets of Meads at November 30, 1979 amounted to £314,074 and pre-tax profits for the year were £258,648.

Net assets of Moss at the last balance sheet in August, 1979 were £5.84m and profits for that year were £911,860.

LIGGETT BOARD DEFERS MEETING UNTIL NEXT WEEK

The Liggett Group has delayed until Monday a board meeting to discuss the $415m bid for it launched earlier this week by Grand Metropolitan.

Liggett, a U.S. tobacco and liquor company, is making no comment on the offer from Grand Met, which already has a 9.5 per cent stake in the company.

Meanwhile, Grand Met is today seeking an exemption in the North Carolina courts from a statutory 30-day waiting period for bid offers. The waiting period, under Carolina State rules, conflicts with securities and exchange commission regulations which could oblige Grand Met to launch its offer by the end of this week.

Liggett had earlier obtained a North Carolina court injunction preventing Grand Met from increasing its holding without making a full offer.

Wm. Sindall drops to £218,482

PROFITS BEFORE tax of William Sindall, building and civil engineering contractor, dropped from a record £421,258 to £218,482 for 1979, on lower turnover of £20.51m against £21.03m.

Earnings per 25p share were down from 19.728p to 10.106p, but the year's net dividend is up slightly at 4.5p (4.4722p).

Depreciation took £252,014, compared with £221,487.

HOGG ROBINSON

Hogg Robinson Group, the international insurance broker with large Lloyd's of London interests, is forming a joint company with United Leasing, the computer leasing specialist, to extend its existing equipment leasing business into operational leasing.

The new company is called United Hogg Robinson Leasing and has an initial capital of £50,000 of which Hogg Robinson will hold two-thirds and United one-third. United Leasing, one of Europe's operating lease specialists, will provide technical and sales expertise together with the management services for the new company which will trade both in the UK and abroad.

LEIGH INTERESTS

Leigh Interests' issue by way of rights to ordinary holders of £1.9m nominal of the 10 per cent convertible unsecured loan stock 1984-85 had been taken up as to £1.15m (60.4 per cent) on April 11.

A total of £100,000 nominal of the stock has been sold in the market at a nominal premium and the net proceeds (after deduction of the subscription price and expenses of sale equivalent to approximately 0.0097p per £1 nominal of stock) will be distributed pro rata among the provisional allottees of the stock not taken up, except that any individual amounts of less than £1 will be retained for the benefit of the company.

The balance, amounting to £650,149 nominal, is to be subscribed for at par pari passu by CIN Industrial Investments (CIN) and Norwich Union Life Insurance Society on the basis of applications received prior to the issue.

In accordance with the terms of the issue CIN has also subscribed at par for a further £631,902.

Leigh further has also exercised its option to acquire the whole of the issued share capitals of the eight "Safeway" companies, referred to in the letter to shareholders dated March 21, 1980, with effect from April 30, 1980.

CONTINUED FROM FACING PAGE

36442	36445	36448	36451	36454	36457	36460	36463	36466	36469
36472	36475	36478	36481	36484	36487	36490	36493	36497	36500
36503	36506	36509	36512	36515	36518	36521	36524	36527	36530
36533	36536	36539	36542	36545	36548	36551	36555	36758	36761
36764	36767	36770	36773	36776	36779	36782	36785	36788	36791
36794	36797	36800	36803	36806	36809	36813	36816	36819	36822
36825	36828	36831	36834	36837	36840	36843	36846	36849	36852
36855	36858	36861	36864	36868	36871	36874	36877	36880	36883
36886	36889	36892	36895	36898	36901	36904	36907	36910	36913
36916	36919	36922	36926	36929	36932	36935	36938	36941	36944
36947	36950	36953	36956	36959	36962	36965	36968	36971	36974
36977	36980	36984	36987	36990	36993	36996	36999	37002	37005
37008	37011	37014	37017	37020	37023	37026	37029	37032	37035
37038	37042	37045	37048	37051	37054	37057	37060	37063	37066
37069	37072	37075	37078	37081	37084	37087	37090	37093	37096
37100	37103	37106	37109	37112	37115	37118	37121	37124	37127
37130	37133	37136	37139	37142	37145	37148	37151	37154	37158
37161	37164	37167	37170	37173	37176	37179	37182	37185	37188
37191	37194	37197	37200	37203	37206	37209	37212	37216	37219
37222	37225	37228	37231	37234	37237	37240	37243	37246	37249
37252	37255	37258	37261	37264	37267	37270	37274	37277	37280
37283	37286	37289	37292	37295	37298	37301	37304	37307	37310
37313	37316	37319	37322	37325	37328	37332	37335	37338	37341
37344	37347	37350	37353	37356	37359	37362	37365	37368	37371
37374	37377	37380	37383	37386	37390	37393	37396	37399	37402
37405	37408	37411	37414	37417	37420	37423	37426	37429	37432
37435	37438	37441	37444	37448	37451	37454	37457	37460	37463
37466	37469	37472	37475	37478	37481	37484	37487	37490	37493
37496	37499	37503	37506	37509	37512	37515	37518	37521	37524
37527	37530	37533	37536	37539	37542	37545	37548	37551	37554
37557	37561	37564	37567	37570	37573	37576	37579	37582	37585
37588	37591	37594	37597	37600	37603	37606	37609	37612	37615
37619	37622	37625	37628	37631	37634	37637	37640	37643	37646
37649	37652	37655	37658	37661	37664	37667	37670	37673	37677
37680	37683	37686	37689	37692	37695	37698	37701	37704	37707
37710	37713	37716	37719	37722	37725	37728	37731	37735	37738
37741	37744	37747	37750	37753	37756	37759	37762	37765	37768
37771	37774	37777	37780	37783	37786	37789	37793	37796	37799
37802	37805	37808	37811	37814	37817	37820	37823	37826	37829
37832	37835	37838	37841	37844	37847	37851	37854	37857	37860
37863	37866	37869	37872	37875	37878	37881	37884	37887	37890
37893	37896	37899	37902	37905	37909	37912	37915	37918	37921
37924	37927	37930	37933	37936	37939	37949	37952	37955	37958
37961	37964	37967	37970	37974	37977	37980	37983	37986	37989
37992	37995	37998	38001	38004	38007	38010	38013	38016	38019
38022	38025	38028	38032	38036	38039	38042	38045	38048	38051
38054	38057	38060	38063	38066	38069	38072	38075	38078	38081
38084	38087	38091	38094	38097	38100	38103	38106	38109	38112
38115	38118	38121	38124	38127	38130	38133	38136	38139	38142
38146	38149	38152	38155	38158	38161	38164	38167	38170	38173
38176	38179	38182	38185	38188	38191	38194	38197	38200	38204
38207	38210	38213	38216	38219	38222	38225	38233	38236	38239
38242	38245	38248	38251	38254	38257	38260	38263	38267	38270
38273	38276	38279	38282	38285	38288	38291	38294	38297	38300
38305	38308	38311	38314	38317	38320	38323	38327	38330	38333
38336	38339	38342	38345	38348	38351	38354	38357	38360	38363
38366	38369	38372	38375	38378	38381	38385	38388	38391	38394
38397	38400	38403	38406	38409	38412	38415	38418	38421	38424
38427	38430	38433	38436	38439	38443	38446	38449	38452	38455
38458	38461	38464	38467	38470	38473	38476	38479	38482	38485
38488	38491	38494	38497	38501	38504	38507	38510	38513	38516
38519	38522	38525	38528	38531	38534	38537	38540	38543	38546
38549	38552	38555	38559	38562	38565	38568	38571	38574	38577
38580	38583	38586	38589	38592	38595	38598	38601	38604	38607
38610	38613	38617	38620	38623	38626	38629	38632	38635	38638
38641	38644	38647	38650	38653	38656	38659	38662	38665	38668
38671	38675	38678	38681	38684	38687	38690	38693	38696	38699
38702	38705	38708	38711	38714	38719	38722	38725	38728	38734
38737	38740	38743	38746	38749	38752	38755	38758	38761	38764
38767	38780	38783	38786	38789	38792	38795	38798	38802	38805
38808	38811	38814	38817	38820	38823	38826	38829	38905	38908
38911	38914	38917	38920	38923	38926	38929	38933	38936	38939
38942	38945	38948	38951	38954	38957	38960	38963	38966	38969
38972	38975	38978	38981	38984	38987	38991	38994	38997	39000
39003	39006	39009	39012	39015	39018	39021	39024	39027	39030
39033	39036	39039	39042	39045	39049	39052	39055	39058	39061
39064	39067	39070	39073	39076	39079	39082	39085	39088	39091
39094	39097	39100	39103	39107	39110	39113	39116	39119	39122
39125	39128	39131	39134	39137	39140	39143	39146	39149	39152
39155	39158	39223	39227	39230	39233	39236	39239	39321	39324
39327	39330	39333	39336	39339	39342	39345	39348	39351	39361
39364	39367	39410	39413	39416	39419	39422	39425	39428	39431
39434	39437	39440	39443	39446	39449	39452	39455	39463	39466
39469	39534	39537	39540	39543	39617	39620	39623	39626	39629
39632	39635	39638	39641	39644	39647	39761	39764	39767	39770
39774	39777	39780	39783	39786	39789	39792	39795	39798	39801
39804	39807	39810	39813	39816	39819	39822	39825	39828	39832
39835	39838	39841	39844	39847	39850	39853	39856	39859	39862
39865	39868	39871	39874	39877	39880	39883	39887	39890	39893
39896	39899	39902	39905	39908	39911	39914	39917	39920	39923
39926	39929	39932	39935	39938	39941	39945	39948	39951	39954
39957	39960	39963	39966	39969	39972	39975	39978	39981	39984
39987	39990	39993	39996	39999	40003	40006	40009	40012	40015
40018	40021	40024	40027	40030	40033	40036	40039	40042	40045
40048	40051	40054	40057	40061	40064	40067	40070	40073	40076
40079	40082	40085	40088	40091	40094	40097	40100	40103	40106
40109	40112	40115	40119	40122	40125	40128	40131	40134	40137

40140	40143	40146	40149	40152	40155	40158	40161	40164	40167
40170	40173	40177	40180	40183	40186	40189	40192	40195	40198
40201	40204	40207	40210	40213	40216	40219	40222	40225	40228
40231	40235	40238	40241	40244	40247	40250	40253	40256	40259
40262	40265	40268	40271	40274	40277	40280	40283	40286	40289
40293	40296	40299	40302	40305	40308	40311	40314	40317	40320
40323	40326	40329	40332	40335	40338	40341	40344	40347	40351
40354	40357	40360	40363	40366	40369	40372	40375	40378	40381
40384	40387	40390	40393	40396	40399	40402	40405	40409	40412
40415	40418	40421	40424	40427	40430	40433	40436	40439	40442
40445	40448	40451	40454	40457	40460	40463	40467	40470	40473
40476	40479	40482	40485	40488	40491	40494	40497	40500	40503
40506	40509	40512	40515	40518	40522	40525	40528	40531	40534
40537	40540	40543	40546	40549	40552	40555	40558	40561	40564
40567	40570	40573	40576	40580	40583	40586	40589	40592	40595
40598	40601	40604	40607	40610	40613	40616	40619	40622	40625
40628	40631	40634	40638	40641	40644	40647	40650	40653	40656
40659	40662	40665	40668	40671	40674	40677	40680	40683	40686
40689	40692	40696	40699	40702	40705	40708	40711	40714	40717
40720	40723	40726	40729	40732	40735	40738	40741	40744	40747
40750	40754	40757	40760	40763	40766	40769	40772	40775	40778
40781	40784	40787	40790	40793	40796	40799	40802	40805	40808
40812	40815	40818	40821	40824	40827	40830	40833	40836	40839
40842	40845	40848	40851	40854	40857	40860	40863	40866	40870
40873	40876	40879	40882	40885	40888	40891	40894	40897	40900
40903	40906	40909	40912	40915	40918	40921	40924	40928	40931
40934	41252	41255	41258	41261	41264	41267	41270	41273	41276
41279	41282	41285	41288	41291	41294	41297	41301	41304	41307
41310	41313	41316	41319	41322	41325	41328	41331	41334	41337
41340	41343	41346	41349	41352	41355	41359	41362	41365	41368
41371	41374	41377	41380	41383	41386	41389	41392	41395	41398
41401	41404	41407	41410	41414	41417	41420	41423	41426	41429
41432	41435	41438	41441	41444	41447	41450	41453	41456	41459
41462	41465	41468	41472	41475	41478	41481	41484	41487	41490
41493	41496	41499	41702	41705	41708	41711	41714	41717	41720
41723	41726	41730	41733	41736	41739	41742	41745	41748	41751
41754	41757	41760	41763	41766	41769	41772	41775	41778	41781
41784	41788	41791	41794	41797	41800	41803	41806	41809	41812
41815	41818	41821	41824	41827	41830	41833	41836	41839	41842
41846	41849	41852	41855	41858	41861	41864	41867	41870	41873
41876	41879	41882	41885	41888	41891	41894	41897	41900	41904
41907	41910	41913	41916	41919	41922	41925	41928	41931	41934
41937	41940	41943	41946	41949	41952	41955	41958	41962	41965
41968	41971	41974	41977	41980	41983	41986	41989	41992	41995
41998	42001	42004	42007	42010	42013	42016	42020	42023	42026
42029	42032	42035	42038	42041	42044	42047	42050	42053	42056
42059	42062	42065	42068	42071	42074	42078	42081	42084	42087
42090	42093	42096	42099	42102	42105	42108	42111	42114	42117
42120	42123	42126	42129	42132	42136	42139	42142	42145	42148
42201	42204	42207	42210	42213	42216	42219	42222	42225	42228
42231	42234	42237	42240	42244	42247	42250	42253	42256	42259
42262	42265	42268	42271	42274	42277	42280	42283	42286	42289
42292	42295	42299	42302	42305	42308	42311	42314	42317	42320
42323	42326	42329	42332	42335	42338	42341	42344	42347	42350
42353	42357	42360	42363	42366	42369	42372	42375	42378	42381
42384	42387	42390	42393	42396	42399	42402	42405	42408	42453
42457	42460	42463	42466	42469	42472	42475	42478	42481	42484
42487	42490	42493	42496	42499	42502	42505	42508	42511	42516
42518	42521	42524	42527	42530	42533	42536	42539	42542	42545
42548	42551	42554	42557	42560	42563	42566	42569	42573	42576
42579	42582	42585	42588	42591	42594	42597	42600	42603	42606
42609	42612	42615	42618	42621	42624	42627	42631	42634	42637
42640	42643	42646	42649	42652	42655	42658	42661	42664	42667
42670	42673	42676	42679	42682	42685	42689	42692	42695	42698
42701	42704	42707	42710	42713	42716	42719	42722	42725	42728
42731	42734	42737	42740	42743	42747	42750	42753	42756	42759
42762	42765	42768	42771	42774	42777	42780	42783	42786	42789
42792	42795	42798	42801	42805	42808	42811	42814	42817	42820
42823	42886	42889	42892	42895	42898	42901	42904	42907	42910
42913	42916	42919	42923	42926	42929	42932	42935	42938	42941
42944	42947	42950	42953	42956	42959	42962	42965	42968	42971
42974	42977	42981	42984	42987	42990	42993	42996	42999	43002
43005	43008	43011	43014	43017	43020	43023	43026	43029	43032
43757	43760	43763	43766	43769	43772	43775	43778	43781	43784
43787	43790	43793	43796	43799	43802	43805	43808	43811	43815
43818	43821	43824	43827	43830	43833	43836	43839	43842	43845
43848	43851	43854	43857	43860	43863	43866	45287	45291	45294
45297	45300	45303	45306	45309	45312	45315	45318	45321	45324
45327	45330	45333	45336	45339	45342	45345	45349	45522	45525
45528	45531	45534	45537	45540	45543	45559	45562	45565	45568
45571	45574	45577	45580	45583	45586	45590	45593	45596	45599
45602	45605	45608	45611	45614	45617	45620	45623	45626	45629
45632	45635	45638	45641	45644	45648	45651	45654	45657	45660
45663	45666	45669	45672	45675	45678	45681	45684	45687	45690
45693	45696	45699	45702	45706	45709	45712	45715	45718	45721
45724	45727	45730	45733	45736	45739	45742	45745	45748	45751
45754	45757	45760	45764	45767	45770	45773	45776	45779	45782
45785	45788	45791	45794	45797	45800	45803	45806	45809	45812
45815	45818	45822	45825	45828	45831	45834	45904	45907	45910
45913	45916	45919	45922	45925	45928	45931	45934	45937	45940
45943	45947	45950	45994	45997	46000	46003	46119	46122	46125
46128	46131	46134	46137	46140	46143	46146	46149	46152	46155
46159	46162	46165	46168	46171	46174	46177	46180	46183	46186
46189	46192	46195	46198	46201	46204	46505	46508	46512	46515
46518	46521	46524	46527	46530	46533	46536	46539	46542	46545
46548	46551	46554	46557	46560	46563	46566	46570	46573	46576
46579	46582	46585	46588	46591	46594	46597	46600	46603	46606

46609	46612	46615	46618	46621	46624	46628	46631	46634	46637
46640	46643	46646	46649	46652	46655	46658	46661	46664	46667
46670	46673	46676	46679	46682	46686	46689	46692	46695	46698
46701	46704	46707	46710	46713	46716	46719	46722	46725	46728
46731	46734	46737	46740	46744	46747	46750	46753	46756	46759
46762	46765	46768	46771	46774	46777	46780	46783	46786	46789
46792	46795	46798	46802	46805	46808	46811	46814	46817	46820
46823	46826	46829	46832	46835	46838	46841	46844	46847	46850
46853	46856	46860	46863	46866	46869	46872	46875	46878	46881
46884	46887	46890	46893	46896	46899	46902	46905	46908	46911
46914	46918	46921	46924	46927	46930	46933	46936	46939	46942
46945	46948	46951	46954	46957	46960	46963	46966	46969	46972
46976	46979	46982	46985	46988	46991	46994	46997	47000	47003
47006	47009	47012	47015	47018	47021	47024	47027	47030	47034
47037	47040	47043	47046	47049	47052	47535	47538	47541	47544
47547	48199	48202	48205	48208	48211	48214	48217	48221	48224
48227	48230	48233	48236	48239	48242	48245	48248	48251	48254
48257	48260	48263	48266	48269	48272	48275	48288	48291	48294
48297	48300	48303	48306	48309	48312	48315	48318	48321	48324
48327	48330	48333	48336	48339	48343	48346	48349	48375	48378
48381	48384	48387	48390	48393	48396	48399	48402	48405	48408
48411	48414	48417	48420	48424	48427	48430	48433	48436	48439
48442	48445	48448	48451	48454	48457	48460	48463	48466	48469
48472	48475	48478	48482	48485	48488	48491	48494	48497	48500
48503	48506	48509	48512	48515	48518	48521	48524	48527	48530
48533	48536	48540	48543	48546	48549	48552	48555	48558	48561
48564	48567	48570	48573	48576	48579	48582	48585	48588	48591
48594	48598	48601	48604	48607	48610	48613	48616	48619	48622
48625	48628	48631	48634	48637	48640	48643	48646	48649	48652
48656	48659	48662	48665	48668	48671	48674	48677	48680	48683
48686	48689	48692	48695	48698	48701	48704	48707	48710	48714
48717	48720	48723	48726	48729	48732	48735	48738	48741	48744
48747	48750	48753	48756	48759	48762	48765	48768	48772	48775
48778	48781	48784	48787	48790	48793	48796	48799	48802	48805
48808	48811	48814	48817	48820	48823	48826	48830	48833	48836
48839	48842	48845	48848	48851	48854	48857	48860	48863	48866
48869	48872	48875	48878	48881	48885	48888	48891	48894	48897
48900	48903	48906	48909	48912	48915	48918	48921	48924	48927
48930	48933	48936	48939	48943	48946	48949	48952	48955	48958
48961	48964	48967	48970	48973	48976	48979	48982	48985	48988
48991	48994	48997	49001	49004	49007	49010	49013	49016	49019
49022	49025	49028	49031	49034	49037	49040	49043	49046	49049
49052	49055	49059	49062	49065	49068	49071	49074	49077	49080
49083	49086	49089	49092	49095	49098	49101	49104	49107	49110
49113	49117	49120	49123	49126	49129	49132	49135	49138	49141
49144	49147	49150	49153	49756	49159	49162	49165	49168	49171
49175	49178	49181	49184	49188	49191	49194	49197	49200	49203
49206	49209	49212	49215	49218	49221	49224	49227	49230	49234
49237	49240	49243	49246	49249	49252	49255	49258	49261	49264
49267	49270	49273	49276	49279	49282	49285	49288	49292	49295
49298	49301	49304	49307	49310	49313	49316	49319	49322	49325
49328	49331	49334	49337	49340	49343	49346	49350	49353	49356
49359	49362	49365	49368	49371	49374	49377	49780	49383	49386
49389	49392	49395	49398	49401	49404	49408	49411	49414	49417
49420	49423	49426	49429	49432	49435	49438	49441	49444	49447
49450	49453	49456	49459	49462	49466	49469	49472	49475	49478
49481	49484	49487	49490	49493	49496	49499	49502	49505	49508
49511	49514	49517	49521	49524	49527	49530	49533	49536	49539
49542	49545	49548	49551	49554	49557	49560	49563	49566	49569
49572	49575	49579	49582	49585	49588	49591	49594	49597	49600
49603	49606	49609	49612	49615	49618	49621	49624	49627	49630
49633	49637	49640	49643	49646	49649	49652	49655	49658	49661
49664	49667	49670	49673	49676	49679	49682	49685	49688	49691
49695	49698	49701	49704	49707	49710	49713	49716	49719	49722
49725	49728	49731	40734	49737	49740	49743	49746	49749	49753
49756	49759	49762	49765	49768	49771	49774	49777	49780	49783
49786	49789	49792	49795	49798	49801	49804	49807	49811	49814
49817	49820	49823	49826	49829	49832	49835	49838	49841	49844
49847	49850	49853	49856	49859	49862	49865	49869	49872	49875
49878	49881	49884	49887	49890	49893	49896	49899	49902	49905
49908	49911	49914	49917	49920	49923	49927	49930	49933	49936
49939	49942	49945	49948	49951	49954	49957	49960	49963	49966
49969	49972	49975	49978	49981	49985	49988	49991	49994	49997
50000									

On 15th May, 1980, there will become due and payable upon each Bond drawn for redemption, the principal amount thereof together with accrued interest to said date at the office of:—

S. G. Warburg & Co. Ltd., 30, Gresham Street, London, EC2P 2EB

or with one of the other paying agents named on the Bonds.

Interest will cease to accrue on the Bonds called for redemption on and after 15th May, 1980. Bonds so presented for payment must have attached all coupons maturing after that date.

U.S.$17,000,000 nominal Bonds will remain outstanding after 15th May, 1980.

30, Gresham Street, London, EC2P 2EB. 17th April, 1980

S. G. Warburg & Co. Ltd.,

CITY OF MANCHESTER U.S.$50,000,000 8¼% Notes 1979/1981

BOND DRAWING

S. G. Warburg & Co. Ltd., announce that the redemption instalment of U.S.$17,000,000 due 15th May, 1980 has been met by purchases in the market to the nominal value of U.S.$8,719,000 and by a drawing of Bonds to the nominal value of U.S.$8,281,000.

The distinctive numbers of the Bonds, drawn in the presence of a Notary Public, are as follows:—

CONTINUED ON FACING PAGE

FOOD MANUFACTURERS

BY DAVID CHURCHILL

A tough decade ahead

FOOD MANUFACTURERS meeting in London today for their annual conference will reflect ruefully on the effects of the recent steel strike on their profits in the coming months.

Although fears of food shortages during the 13-week strike led to a 20 per cent increase in sales of canned foods—a useful short-term increase in demand for manufacturers and retailers—this will be more than cancelled out when tin-plate prices go up. The Food Manufacturers Federation has alread urged the British Steel Corporation not to help finance its pay deal by raising tinplate prices, but there seems little prospect of avoiding a new price rise soon.

Prospects

After a decade in which the industry was squeezed between sharply rising raw material prices and operating costs on the one hand and Goverument price controls and a High Street price war on the other, it had been hoped that the worst was now past and that the industry could look forward with confidence to the new decade.

Indeed, the theme of today's annual conference of the FMF is to identify the growth prospects of the industry—which has retail sales of more than £20bn and employs almost 750,000 people during the next 10 years.

Yet the problems and pressures facing the industry appear to have the same familiar ring to them and suggest that the next 10 years will be as tough—if not tougher—than the last. According to the manufacturers the next few years could see the collapse of some companies and even whole sectors — followed by the inevitable rationalisations, higher imports, and probably higher than necessary prices for the consumer.

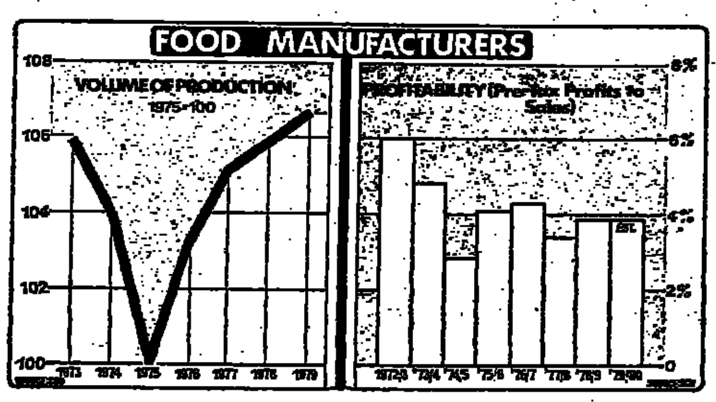
However, the problems facing the food industry—such as rising costs and increased retailers' power—are only part of the story. There is also the simple fact that the volume demand for food has been static for several years and there seems little prospect for any substantial overall volume growth in the future.

This lack of growth in volume for food is mainly due to the lack of growth of Britain's population and the consequence that consumers simply cannot eat any more. This is a phenomenon apparent in most developed Western economies, particularly in the U.S. where the slowdown in overall food market growth started much earlier.

Morevore, as consumer markets have become more sophisticated and real incomes have increased, the proportion of household expenditure on food has declined. While in 1977 nearly 20 per cent of household expenditure went on food, this proportion has now slipped back to just over 18 per cent and the long-term trend is of a steady decline.

The effect of the lack of growth in consumer demand for food is shown by Government figures of food manufacturers' volume of production. In 1979 the index figure of 106 was broadly the same as the 1973 figure.

The rapid rise in food prices during the 1970s was largely a result of the UK's adjustment to higher food prices under the EEC's Common Agricultural Policy as well as to the dramatic rise in oil prices, which affected not only energy and distribution but packaging costs as well, to the rise in labour costs, and soaring commodity prices.



Although these cost pressures were starting to abate, they began to creep up again last year. Thus in the past year, raw materials purchased by food manufacturers increased in cost by 12.2 per cent compared with 7.3 per cent in the previous year, largely as a result of increased EEC prices. At the same time, labour costs have soared with earnings up by over 21 per cent in the past year, compared with just over 12 per cent the previous year.

Cost of EEC

Perhaps surprisingly, the food industry has been given some support by consumer organisations such as the National Consumer Council which ascribes much of the blame for rising food prices to the EEC rather than manufacturers.

The council, which is Government-financed, says that the cost of joining the EEC has been a "12 per cent increase in food prices that we should not have had to face."

While consumer groups such as the NCC believe the main problem lies in Brussels, there has been some feeling within Whitehall that the food manufacturers may not have done as much as they could to limit the effects of raw material prices. This could perhaps have been achieved by higher productivity or greater operating efficiency.

The Price Commission, which had been established because of the continuing rise in prices, on several occasions closely scrutinised the activities of major food manufacturers when they put up prices. On no occasion was any food manufacturer stopped from raising its prices, but the Office of Fair Trading is taking a close interest in the competitive aspects of food companies under the new powers it has from the Competition Act.

However, apart from stimulating Whitehall interest in food prices, the main effect of the soaring food price inflation in the mid 1970s was to enable the High Street price war to be launched in the summer of 1977.

Tesco and the other major supermarket multiples, faced with the static volume demand for food, felt that aggressive price promotions were the only way to increase volume sales at the expense of small grocers who could not afford such large price cuts.

But the multiple grocers' chase for extra volume sales by the method of large price cuts led them to put pressure on the food manufacturers for discounts to help pay for the price reductions. Food manufacturers have tended to agree to such demands since their operations are based on high volume and low margins.

Although the general position for food manufacturers in the 1980s is fairly bleak—given the overall lack of market growth—not all companies will suffer. There are two main reasons why some food processers will be able to benefit during the decade.

First, those manufacturers which can strengthen their brand's dominance in the market will have some effective power against the large retailers. Companies such as Kelleggs or Heinz, for example, are in a stronger position to refuse demands for discounts simply because shoppers prefer such brands for reason other than price.

But the second—and more important—reason why some manufacturers can afford to be optimistic is that although more food is not being bought, there are constant changes in the type of foods demanded. Companies that can identify and interpret changing social and demographic factors and find and develop a niche in the market can look forward to a profitable future.

Such trends at present include the growth of convenience foods as more women go out to work or desire to experiment at home with foreign foods, perhaps tasted first on holiday. Also, the demand for health foods is likely to continue to grow rapidly over the next decade.

Japanese

The convenience factor is likely, however, to be the major influence on new food and snack foods should benefit most. An example of new product development launched recently by KP Foods, a subsidiary of United Biscuits, was an "instant" hot meal called Quick Lunch. Three minutes after a housewife adds boiling water to a noodle-based concentrate in a plastic beaker, a hot meal of curry (or whatever) with noodles is ready. The Japanese already eat some 1bn such instant meals a year and KP anticipates the British market could be worth some £50m by next year.

Apart from developing new food markets at home, food manufacturers are likely to expand overseas, either by exports or by acquisitions.

And, with the continued strength in the value of sterling, many food manufacturers are increasingly looking to the U.S. market for takeover opportunities. Their hopes rest on the fact that the weaker grocery retailing industry in the U.S. would not put them under the same pressure as Tesco and others have done at home.

But Tesco has made no secret of its aim itself to expand into U.S. grocery retailing.

COMPANY NEWS

Payment changes at Sun Life

NEW arrangements for dividend payments are announced by Sun Life Assurance Society. Having yesterday declared a first interim dividend, to be paid on July 1, of 3.75p per 5p share, a second interim of the same amount will be paid on December 31, 1980. This will then be followed by a final to be declared in April, 1981 which it is anticipated will be not less than 3.75p.

The Society has for many years declared two half-yearly dividends for payment on or about July 1 an dDecember 31, that is before the final results for the year are available.

The directors intend, in future to declare the final dividend for a financial year after the results of the actuarial valuation are known—in the following April for payment in June. This would be in line with the practice of most companies.

Thereafter, the interim dividend for each financial year will be paid in December, with the final paid in June the following year. In the absence of unforeseen circumstances, the total for the financial year 1981 will be not less than 7.5p per share.

The 1979 first interim dividend was 1.9117p, but this was declared before dividend restraint was removed. The total for that year was 6.5367p, and the dividend now declared represents an increase of approximately 15 per cent over one-half the previous total.

The company reports that the proprietors' share of divisible surplus following the annual valuation at December 31, 1979 of its long-term business fund amounts to £3.74m. which is inclusive of the share of interim and terminal bonuses.

This represents an increase of over 31 per cent against the 1978 figure of £2.84m.

Provident Life up 50% after tax

A 50 per cent jump in after-tax profits from £582,000 to £866,000 in 1979 is reported by Provident Life Association of London, with life business, and higher investment income all contributing to the improvement.

A final dividend of 5.6p makes a net total of 10.2p (9.12p), an increase of 11.8 per cent. The effective increase for former "A" ordinary shareholders is 16.6 per cent. After providing the £488,000 absorbed by dividends and transferring £200,000 to investment reserve, the retained profit was £178,000.

The long-term funds rose during the year from £88.8m to £95.5m, with the gross rate of interest earned on the fund improving from £7.98 per cent to £8.59 per cent. The shareholders' portion of divisible profits advanced by a quarter to £291,000 and the non-divisible profits improved slightly to £210,000.

In general insurance business there was a major turnround in the property and accident account with an underwriting profit of £5,000 against a loss of £269,000. Premium income declined slightly on the year to £2.25m. However, the motor account suffered from bad weather, recording a loss of £95,000 against a profit in 1978 of £7,000. Motor premiums were slightly lower at £1.75m.

Investment income from the general and shareholder funds rose by over 17 per cent from £493,000 to £580,000, reflecting the high level of interest rates on short-term fixed interest securities.

Berwick Timpo ahead of profit forecast with £1.5m

PROFITS AHEAD of the mid-term forecast of not less than £1.4m are reported by Berwick Timpo, toys and games manufacturer. The pre-tax surplus reached £1.52m in 1979—44 per cent ahead of the £1.05 achieved in the previous year.

The net total dividend is stepped up from 3.3335p to 6p, with a final of 4p, as expected. Stated earnings per 25p share are ahead to 25.2p (12.1p).

Tax took £109,148 (£384,228) and there were extraordinary debits of £978,008 this time, leaving the balance lower at £430,079, against £667,326.

The extraordinary debits were after tax relief at £572,573 and included a net cost of £841,042. This represents full provision for the direct costs of the closures of Model Toys and Flair Toys last October.

The full-year trading losses of these two companies were £480,224 and this has been charged in arriving at the group trading profit.

Group sales improved from £13.21m to £16.84m.

The elimination of the loss-making activities has considerably strengthened the group, says Mr. J. D. Oakley, chairman. Although this is going to be a difficult year for the toy trade, orders for the three group companies are currently ahead of last year.

He adds that the group now comprises Peter Pan Playthings, Berwick Toys, and Harbutt's Plasticine. All improved their profit levels in 1979 and have introduced new product ranges for the current year which have been well received.

● comment

For a toy company operating in a tough trading environment Berwick Timplo has done well to lifr full-year profits by 44 per cent — slightly more than that forecast at the time of the boardroom struggle with a former chief executive. Much of the credit is due to record results from the Berwick subsidiary where the Happy Time range of nursery toys was particularly successful. The results also reflect the closure of two troublesome subsidiaries but costs have been taken below the line and earnings are more than doubled, thanks largely to a low tax charge. Although most of the action takes place later in the year, it is clear that trading conditions have not improved and current sales volume is about 5 per cent lower than a year ago. Like most toy companies Berwick Timpo is having to finance a higher level of stocks ahead of the main selling season, so interest charges are going to be a substantial dampner. Given a fair wind however, the company could make further progress given that the loss makers are out of the way and some of the more successful products have been injected into the continuing operation. Fully taxed the p/e is 5.2 at 73p, up 5p, while the yield is 12.4 per cent compared with 2.67 and 15.5 per cent for the sector.

Stronger pound restricts Martonair to £0.15m rise

WITH TURNOVER ahead at £18.03m against £17.15m, taxable profits of Martonair International, maker of pneumatic control equipment, improved from £2.51m to £2.66m for the half year to January 31, 1980. It is estimated, however, that profits would have been about £0.2m higher if exchange rates had remained at the same level as for the comparable period.

Incoming orders are continuing at a satisfactory level and provided there is no significant downturn or disruption in the industry generally, the year's results are expected to show some increase over 1978-79, when pre-tax profits reached £5.72m on turnover of £35.89m.

The net interim dividend is increased from 1.75p to 1.95p per 20p share — last year's final was 5p.

Tax took £1.32m against £1.25m, and there were minorities of £19,000 (£11,000). The retained surplus emerged up slightly from £1.02m to £1.06m.

● comment

Martonair has been bouncing along in good form with an average pre-tax growth rate of 39 per cent over the past three years. Had it not been for about £200,000 lost in exchange translation the company would have produced more than its 6 per cent interim rise revealed yesterday. The pneumatic control business continues well on the Continent (which accounts for two-thirds of group sales) and at home. There has been volume growth of about 4½ per cent and interest charges have been sharply reduced. Margins are slightly lower than at year-end, but they are still a healthy 14.7 per cent at the pre-tax level. The engineering dispute did not harm the company either and the order book is now said to look good. Profits should rise to around £6m before tax for the current year, suggesting a fully taxed p/e of 8.8. The interim dividend is up 11.4 per cent and a similar rise in the final could lead to a prospective yield of 5.6 per cent at 195p, up 3p.

Yearlings down

Local authority yearlings give up a point this week, easing to 16¼ per cent. The bonds are redeemable at par on April 22, 1981.

The issues are: City of Glasgow DC (£2m); City of Lincoln (£0.5m); London Borough of Brent (£0.5m); Cheltenham BC (£0.5m); Borough of Eastleigh (£0.25m); Ettrick and Lauderdale DC (£0.25m); Borough of Ipswich (£0.5m); Metropolitan Borough of Rotherham (£0.25m); Rochester upon Medway BC (£1m); Renfrew DC (£1m); Sefton Metropolitan BC (£0.5m); Dudley Metropolitan BC (£0.75m); City of Wakefield Metropolitan DC (£0.75m); Mendip DC (£0.5m); Calderdale Metropolitan BC (£0.5m); Borough of South Tyneside (£1m); Amber Valley DC (£0.5m); Cheltenham BC (£0.5m).

NORTH AMERICAN NEWS

Good first quarter for St. Regis Paper

By Our Financial Staff

ST. REGIS PAPER, the forest products group which has recently developed its international paper and domestic natural resource operations, boosted first quarter earnings by 25.5 per cent to $46.12m or $1.41 per share compared with $36.76m or $1.13.

St. Regis said that the strong performance was aided by a high rate of shipment. Sales also rose strongly by 13.4 per cent to $767.17m. Foreign exchange gains accounted for $2.26m or 7 cents in the first quarter, compared with losses of $134,000 in the first quarter of 1979.

Earnings were also helped by a lower income tax rate caused by higher investment tax credits as the company's major capital expansion programme began.

The advance is also the more significant as St. Regis was earlier forecasting that earnings were likely to decline from the $4.87 a share of 1979. However, Mr. William R. Haselton, president and chief executive, was cautious on the outlook for the rest of 1980. He said that the rapid decline in new housing activity is affecting the construction products sector and the outlook is weakening for the packaging and converted paper sector.

Abitibi-Price, the Canadian group which is the world's largest newsprint producer, raised first quarter earnings even more strongly. They rose 57 per cent to C$34.6m (U.S.$29.32m) or C$1.17 per share compared with C$22m or C$1.06 a year ago on sales which rose 9 per cent to C$386m.

The Canadian group is also predicting lower earnings for the rest of 1980 and sees a slower growth in newspaper demand.

S and L depression leads to $3.45bn assets link

BY STEWART FLEMING IN NEW YORK

TWO LEADING ILLINOIS savings and loan asociations, Talman Federal and Home Federal, have announced plans to merge and form an institution with assets of $3.4bn.

The announcement comes amidst evidence of deepening depression in the savings and loan (S and L) industry, which supplies most of the finance for private house purchase in the U.S.

Last week, two of the leading S and L's reported sharp declines in first quarter earnings. Great Western Financial said its net income fell by 40 per cent to $13.5m and Financial Federation reported a 33 per cent decline to $3.4m.

The Illinois S and L's have said that the merger proposal does not result from financial difficulties in either corporation.

Some industry observers, however, are expecting a growing number of combinations in the industry, partly because of the financial strains it is facing as a result of the surge in interest rates and the fact that the bulk of S and L loans are on fixed interest terms at under 10 per cent.

In the short term, some S and L's may feel that they can strengthen their financial position by merging. But there are other longer term considerations pointing in the same direction. Recent banking reform legislation means that, over the next decade the Savings and Loan industry will be coming increasingly into direct competition with commercial banks. Mergers to create larger and stronger units may thus be needed.

Ford to trim jobs by 15,000

BY OUR NEW YORK STAFF

FORD MOTOR, which has forecast heavy worldwide losses for the first half of this year, yesterday announced plans to cut 15,000 jobs and reduce costs by $1.5bn in its North American automotive operations by the end of next year.

The company intends to close one assembly plant in New Jersey, halve output at four others and shut down a foundry and a castings operation.

Ford's problems in the market place were underlined on Tuesday when it showed a 24 per cent drop in early April car sales compared with the same period last year—a much sharper drop than for either General Motors or Chrysler.

Profits fall in fourth quarter

BY JOHN MAKINSON

U.S. CORPORATE profits showed a slight fall in the final quarter of last year, according to revised figures from the Commerce Department.

Profits after tax slid a seasonally adjusted 0.9 per cent from third quarter levels, giving an annual rate of $146.9bn. Preliminary figures had earlier indicated 0.3 per cent increase ever the third quarter.

The earnings dip, common to many industrial sectors, followed a strong 6.5 per cent increase in the previous quarter. The latest figures also show a 2.4 per cent decline in profits before tax, adjusted for the impact of inflation on depreciation and stocks.

Without the inflation adjustment, profits before tax increased by a marginal 0.3 per cent. Over the whole of last year, profits weakened in the second quarter, recovered in the third and dipped again in the final three months.

Returns so far for the first quarter of this year indicate that companies in troubled sectors are being hit hard by high interest rates and the decline in business activity. A forecast of first quarter losses by Ford suggests that the motor industry will produce a gloomy set of figures.

With the notable exception of Citicorp, which has reported a $42m profits fall, banks are roughly holding their own in real terms. Aluminium and chemical companies are doing well but the star performer appears to be the securities industry, which is benefiting from the surge in Wall Street trading activity.

Confidence at NCR despite setback

By Our Financial Staff

NCR CORPORATION, the world's largest cash register manufacturer has suffered a sharp and unexpected fall in earnings inthe first quarter of the current year but remains confident that the full year will be "satisfactory," with both sales and earnings showing gains. Analysts recently forecast share earnings of $10.00 for 1980, compared with 8.78 in the previous year.

The first quarter shows a fall in earnings from $30m or $1.13 a share to $25.5m or 95 cents a share. Sales, however, have borne out predictions of sharp rise by moving up from $590.5m to $657.5m.

The company, which now earns a substantial part of its income from computer terminals and systems, is heavily involved in markets outside the U.S. Some 20 per cent of earnings in 1978 came from the UK and Continental Europe, a further 11 per cent from Japan, Australia and the Far East, and 10 per cent from elsewhere.

Downturn at Honeywell

By Our New York Staff

HONEYWELL, the computer instrumentation and controls group, has reported a drop in first-quarter net income from $57.8m to $46.2m.

The fall in operating income had been forecast by the company, which is still expecting an increase in full-year earnings over the 1979 figure of $240m.

Honeywell had sales of $1.13bn in the quarter, an increase on the previous year's $966.8m.

INTERNATIONAL CAPITAL MARKETS

Mexico will fund $1bn borrowing by three loans

BY ROSEMARY BURR IN RIO DE JANEIRO

MR. DAVID IBARRA-MUNOZ, Mexico's Minister of Finance, has confirmed here that negotiations are in an advanced stage on three loans totalling $1bn, for Mexico

The first firm deal likely to emerge is a seven-year bullet loan of between $200m and $300m from four leading Canadian banks. The spread on the loan will according to the minister be ½ per cent over London inter bank rates.

Two similar sized deals are expected from groups of French and German banks but Mr. Ibarra-Munoz said the maturities of these loans might differ from that of the Canadian loan. There were no plans at present, he added, to raise credit from the Japanese.

Mr. Ibarra-Munoz said that Mexico had radically changed its debt policy and planned to increase its short term debt. In particular it would double the percentage of loans with up to one year maturity from its current 2 per cent level to 4 per cent of Mexico's total debt.

A $250m Eurocurrency loan for Financiera Nacional Azucarera, S.A. (Finasa), lead-managed by Bank of America and Bankers Trust International, was signed in London yesterday. Finasa is a national Mexican credit institution and provides official finance to the sugar industry.

The three-year loan is priced at ¼ per centabove Libor, free and clear of Mexican withholding taxes.

The loan was originally brought to the market to raise $200m. However, the amount was more than 50 per cent over-subscribed, resulting in an increase to $250m.

Surge in straight dollar bonds

BY FRANCIS GHILES

EUROBOND dealers were faced yesterday afternoon with what one of them described as a "deluge of orders" to buy straight dollar bonds, the like of which they had not seen for a long time.

Prices of straight dollar bonds gained up to four points following remarks made by one of the market's most respected gurus, Mr. Henry Kaufman, a senior partner in the New York investment bank, Salomon Brothers, who said the recession in the U.S. was now on its way.

Bond houses reported that some institutional clients were just ringing up with orders to buy "all the paper you can lay your hands on." Shuch orders were not always easy to execute as most of the recently issued paper had already been placed. All the recently floated issues saw their prices rise: the EIB 13⅞ per cent bond to 1990, which was quoted at 98¾ bid yesterday morning, its first day of trading, finished the day at 101¼

The strength of demand led one of the most important bond houses in London to tell its potential borrowers that bond issues for them could be arranged on coupons ¼ per cent below the rate previously indicated.

Only one new straight dollar bond surfaced last night, a $50m seven-year bullet issue for North West Industries carrying a coupon of 13⅞ per cent, through Orion Bank. The immediate reaction of some houses to these terms were that they were somewhat tight but the subsequent surge in prices may have disposed of initial reticence, as with the EIB issue launched last week.

Floating Rate Note issues were in good demand also and a new FRN for one of Mexico's leading banks is believed to be imminent. All in all, $700m worth of dollar bonds have been announced since Easter, $525m of which is accounted for by straight dollar bonds. These figures can be expected to increase by the weekend.

The first Canadian dollar issue since last September has been launched through Morgan Stanley for Tordom with the guarantee of Toronto Dominion Bank. The borrower is paying a coupon of 14 per cent for five years and the price of the bonds is expected to be par.

Deutsche Mark foreign bond prices were essentially unchanged yesterday. A new issue for the European Investment Bank is widely expected in this sector before the end of the week.

Swiss Franc bond prices edged up a little yesterday. A new issue amounting to SwFr 80-100m is expected shortly for Caisse Nationale des Telecommunications through Swiss Bank Corporation. Good demand recorded for the recent Inter-American Development Bank issue the one for CNT is expected to meet with a good reception.

● The annual general meeting of Cedel, the international clearing system, took place last Friday. The results for the 1979 fiscal year included profit after tax of $698,000 and a dividend of 5 per cent on paid-in capital. The number of participants affiliated to the system has passed 1,000.

Canada rejects bid by Mobil

By Our New York Staff

THE CANADIAN Government has rejected an application by Mobil-GC Canada to acquire the Canadian interests of General Crude Oil, the Houston-based subsidiary of International Paper.

The Canadian assets are valued at around $100m and form part of General Crude's worldwide oil and gas interests, which Mobil bought for about $800m last year. Mobil said in New York that the company would suggest discussions with the Canadian Government.

The application was rejected because it did not meet the Government's criterion of providing "significant benefit" for Canada. The Foreign Investment Review Agency, which monitors all applications by foreign companies, said that a revised application would possibly be accepted.

Strauss, Turnbull in bond link with Soc. Generale

BY NICHOLAS COLCHESTER

SOCIETE GENERALE of France and Strauss, Turnbull, the London stockbrokers, yesterday confirmed that they would launch a company to engage exclusively in the secondary Eurobond market.

Societe Generale Strauss Turnbull will have a capital of about £500,000 and will be 45 per cent owned by the broker and 55 per cent by the French bank. The London-based trading operation will provide Societe Generale with its first extensive involvement in the Eurobond secondary market.

Strauss, Turnbull, which has many years of experience in such activity, will gain from association with a major French bank and from "the increased availability of capital in what has become a very capital extensive business," according to Mr Julius Strauss, senior partner, who will become deputy chairman and managing director of the new venture.

Asked whether this was the right time for such an initiative, Mr Strauss said that the two sides had been in talks for more than a year and that they hoped that by the time the new company began operations in the bond market would have improved. It is thought that the company will start trading in June.

Both Strauss, Turnbull and Societe Generale will continue their underwriting and issuing activities independently. The new operation will concentrate on trading straight dollar bonds and euro-sterling bonds. Euro-French franc bonds will be traded out of Paris and it is possible that market-making in Floating Rate Notes will remain in the hands of Societe Generale as well.

هكذا في الأصل

AMERICAN QUARTERLIES

ARCHER-DANIELS-MIDLAND

	1980 $	1979 $
Third quarter		
Net profits	30.53m	12.86m
Net per share	0.83	0.37
Nine months		
Net profits	82.7m	40.54m
Net per share	2.33	1.17

AUTOMATIC DATA PROCESSING

	1980 $	1979 $
Third quarter		
Revenue	124.1m	98.7m
Net profits	11.50m	9.44m
Net per share	0.74	0.62
Six months		
Revenue	337.2m	273.9m
Net profits	28.5m	23.78m
Net per share	1.85	1.57

C. R. BARD

	1980 $	1979 $
First quarter		
Revenue	57.1m	50.5m
Net profits	3.73m	3.21m
Net per share	0.38	0.33

BAXTER TRAVENOL LAB

	1980 $	1979 $
First quarter		
Revenue	313.1m	274.9m
Net profits	30.44m	25.7m
Net per share	0.89	0.76

CHESEBROUGH-POND'S

	1980 $	1979 $
First quarter		
Revenue	318.4m	272.2m
Net profits	23.84m	19.67m
Net per share	0.74	0.61

CONNECTICUT GENERAL

	1980 $	1979 $
Fourth quarter		
Revenue	9.8m	10.5m
Net profits	2.56m	1.76m
Net per share	0.44	0.31
Year		
Revenue	41.9m	39.7m
Net profits	9.37m	6.79m
Net per share	1.62	1.19

CONTINENTAL GROUP

	1980 $	1979 $
First quarter		
Revenue	1.14bn	1.04bn
Net profits	57.3m	36.6m
Net per share	1.56	1.03

CROWN ZELLERBACH

	1980 $	1979 $
First quarter		
Revenue	737.5m	625.9m
Net profits	24.3m	21.4m
Net per share	0.93	0.84

ETHYL CORPORATION

	1980 $	1979 $
First quarter		
Revenue	438.59m	632.0m
Net profits	28.55m	21.14m
Net per share	1.44	1.07

FEDERAL PAPER BOARD

	1980 $	1979 $
First quarter		
Revenue	110.0m	93.1m
Net profits	6.03m	4.86m
Net per share	0.84	0.71

GENERAL TELEPHONE

	1980 $	1979 $
First quarter		
Revenue	2.63bn	2.26bn
Net profits	65.06m	148.33m
Net per share	0.38	0.97

HILTON HOTELS

	1980 $	1979 $
First quarter		
Revenue	139.9m	127.3m
Net profits	26.46m	19.61m
Net per share	1.00	0.75

WALTER KIDDE

	1980 $	1979 $
First quarter		
Revenue	615.6m	511.1m
Net profits	18.5m	16.7m
Net per share	1.78	1.51

KNIGHT-RIDDER

	1980 $	1979 $
First quarter		
Revenue	257.9m	221.6m
Net profits	19m	16.3m
Net per share	0.59	0.50
	1980	1979

ELI LILLY

	1980 $	1979 $
First quarter		
Revenue	704.3m	613m
Net profits	115.3m	103m
Net per share	1.58	1.41

MAYTAG

	$	$
First quarter		
Revenue	97.9m	86.8m
Net profits	10.8m	9.8m
Net per share	0.81	0.73

MEREDITH CORPORATION

	1980 $	1979 $
Third quarter		
Revenue	92.6m	83.6m
Net profits	6.23m	4.76m
Net per share	2.01	1.54
Nine months		
Revenue	263.4m	240.9m
Net profits	17.25m	12.34m
Net per share	5.54	3.99

NATIONAL DISTILLERS & CHEMICAL

	1980 $	1979 $
First quarter		
Revenue	558m	548m
Net profits	43m	32m
Net per share	1.30	0.95

NORTHROP CORPORATION

	1980 $	1979 $
First quarter		
Revenue	379.6m	407.3m
Net profits	22.9m	23.5m
Net per share	1.61	1.66

OHIO EDISON

	1980 $	1979 $
First quarter		
Revenue	279.7m	250.4m
Net profits	38.92m	26.94m
Net per share	0.47	0.36
Year		
Revenue	1.02bn	894.5m
Net profits	146.78m	89.78m
Net per share	1.92	1.21

PETRIE STORES

	1980 $	1979 $
Fourth quarter		
Revenue	138.3m	141.2m
Net profits	19.62m	16.79m
Net per share	1.39	1.19
Year		
Revenue	446.6m	435.9m
Net profits	51.66m	48.99m
Net per share	3.67	3.48

PFIZER

	1980 $	1979 $
First quarter		
Revenue	710.1m	640.8m
Net profits	65.4m	58.6m
Net per share	0.89	0.80

PUBLIC SERVICE ELEC & GAS

	1980 $	1979 $
First quarter		
Revenue	757.5m	664.7m
Net profits	59.5m	68.1m
Net per share	0.69	0.88
Year		
Revenue	2.51bn	2.28bn
Net profits	224.7m	240.8m
Net per share	2.67	3.09

REEVES BROTHERS

	1980 $	1979 $
Third quarter		
Revenue	81.2m	83.2m
Net profits	3.78m	3.75m
Net per share	1.51	1.50
Nine months		
Revenue	244.3m	255m
Net profits	12.13m	14.72m
Net per share	4.97	5.76

REPUBLIC OF TEXAS

	1980 $	1979 $
First quarter		
Net profits	18.90m	17.23m
Net per share	1.06	0.97

SCOTT PAPER

	1980 $	1979 $
First quarter		
Revenue	546.4m	470m
Net profits	34.7m	37.6m
Net per share	0.89	0.97

SECURITY PACIFIC CORP.

	1980 $	1979 $
First quarter		
Net profits	39.7m	39.0m
Net per share	1.44	1.43

STANLEY WORKS

	1980 $	1979 $
First quarter		
Revenue	232.8m	210m
Net profits	13.74m	12.48m
Net per share	1.13	1.04

TEXASGULF

	1980 $	1979 $
First quarter		
Revenue	280m	174.3m
Net profits	73.56m	25.28m
Net per share	2.22	0.73

WEIS MARKETS

	1980 $	1979 $
First quarter		
Revenue	163.8m	148.5m
Net profits	7.62m	7.35m
Net per share	0.83	0.81

WELLS FARGO

	1980 $	1979 $
First quarter		
Net profits	30.4m	29.9m
Net per share	1.33	1.33

FT INTERNATIONAL BOND SERVICE

The list shows the 200 latest international bond issues for which an adequate secondary market exists. For further details of these or other bonds see the complete list of Eurobond prices published on the second Monday of each month.

Closing prices on April 16

U.S. DOLLAR STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
Alcoa of Australia 10 89	60	86⅝	87⅛	+2⅛	+3⅝	12.47
Alex Howden XW 9½ 91	30	86	88	0	0	16.02
Australian Res. 9⅜ 84...	30	87⅞	88⅜	+0⅛	+2⅝	13.40
Avco O/S Cap. 10⅜ 87	40	76	78	+0½	+1⅛	15.87
Beneficial Fin. 9⅜ 87...	100	84⅛	84⅝	+0⅛	+3⅝	13.17
CECA Grad. Rate 12 86	100	91	92	−0⅛	+2½	14.00
CECA 11⅝ 90	50	88⅜	89⅛	−0⅛	+2⅛	13.69
Canadian Pacific 9¾ 89	50	85⅛	85¾	+0⅝	+3⅛	12.50
Carter Hawley 9⅜ 86...	50	84⅝	85⅛	+0½	+2⅛	13.47
Comalco Inv. E. 10¾ 91	40	84⅞	85⅜	+0⅛	+2⅜	12.82
Continental Grp. 9⅜ 86	100	84½	85	+0⅜	+2⅞	13.37
Dome Petroleum 10 94	50	78½	79⅜	+0⅛	+1⅛	13.28
Dominion Bridge 10⅛ 84	30	89⅛	89¾	0	+1½	13.69
EIB 11¼ 92	80	89⅝	90⅛	+1	+2⅛	13.49
EIB 10.15 99	100	†79	80½	0	+3	13.48
Ekportfin 11¼ 87	50	91⅞	92⅜	+0⅛	+2⅜	13.05
Export Dv. Cpn. 9¼ 84	100	88⅞	89⅜	+0⅛	+3¼	12.97
Export Dv. Cpn. 9⅜ 84	150	89⅜	89⅝	+0⅛	+3	13.00
Finland 9⅜ 89	100	†81½	82	+0⅛	+1⅛	13.51
GTE Finance 9⅜ 89	55	83⅛	83⅞	−0⅛	+2	12.87
GMAC 9¼ 86	100	84½	85	+0½	+2⅜	12.97
GMAC O/S Fin 11 84	100	93⅛	93⅞	+1⅛	+3	12.86
Gould Int. Fin. 9⅜ 85...	50	88	88½	−0⅛	+2⅞	13.15
ITT Antilles 9½ 89	75	81⅝	82⅛	0	+2½	13.02
Kennecott Int. 9½ 86	100	84¼	84⅜	0	+2	13.37
Manitoba 9½ 89	75	81⅜	82⅛	+0⅛	+2⅞	13.05
Michelin 10 94	125	84⅞	85⅛	+1⅛	+5⅞	12.23
Nat Des. Telecm. 9½ 86	100	85½	86	+0½	+2⅛	12.98
New Brunswick 9⅜ 94	75	80	80½	+0½	+4⅜	12.86
Newfoundland 10 94	50	85	85½	+0½	+4⅛	12.25
Norges Komm. 9⅞ 99...	100	†79	79½	−0⅛	+2⅛	13.20
Norway 9½ 84	150	89⅜	90⅛	+0⅛	+3⅛	12.81
Nova Scotia Pwr. 9⅜ 89	50	83⅛	83⅞	+0½	+2⅛	12.91
Occidental Fin. 10¼ 84	50	†90½	91	0	+3½	13.28
Pennwalt O/S F 9¾ 84	25	89⅝	90⅞	+0⅛	+3⅛	13.06
Pepsico Cap. 9¼ 84	100	89	89½	+0½	+2⅜	12.93
Quebec Hydro 10 99...	75	80⅛	80⅜	+0⅛	+2⅞	12.76
Sears Roebuck 9 82...	150	92⅛	93⅛	+0⅛	+2⅛	13.60
Statoil 9⅝ 89	100	84⅞	85⅜	+0⅛	+4⅜	12.39
Sweden 9⅜ 89	100	85	85½	+0½	+4½	12.57
Sweden 9½ 86	200	†86½	87½	+0⅛	+2⅛	13.06
Sweden 9¼ 84	100	89¾	90⅛	+0½	+3½	12.86
Unilever NV 9¼ 87...	100	83⅞	84⅛	+0½	+3⅛	12.77
Warner-Lambert 9 84...	100	87⅜	88⅛	+0⅛	+3⅜	12.84

Average price changes... On day +0⅛ on week +2⅞

DEUTSCHE MARK STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
African Dev. Bk. 8 87	100	90	90⅜	0	0	9.85
Asian Dev. Bk. 7¼ 89...	100	84	84⅜	−0⅛	+3½	9.88
Australia 8⅛ 90	250	97⅛	97⅞	−0⅛	+3⅜	8.50
Barclays O'seas 6⅜ 89	100	86	87	+1	+5⅞	8.99
BFCE 7¾ 87	100	92	92⅜	0	+0⅞	9.31
BFCE 8⅛ 95	100	90⅞	91⅞	0	+3⅛	9.21
Brazil 8 87	150	88½	89⅜	0	+1⅛	10.22
CECA 7 91	150	87⅛	87⅞	+0½	+3⅛	8.82
[illegible]						

SWISS FRANC STRAIGHTS, YEN STRAIGHTS, OTHER STRAIGHTS, FLOATING RATE NOTES, CONVERTIBLE BONDS: [illegible]

Pechiney Ugine Kuhlmann shows sharp improvement

BY TERRY DODSWORTH IN PARIS

A SHARP improvement in last year's results of Pechiney Ugine Kuhlmann, the diversified French metals and chemicals group, was mainly due to a sustained upswing in the world aluminium market, combined with improved conditions in the stainless steel business.

Consolidated profits rose to FFr 991m ($225m) compared with FFr 261m in 1978, with turnover rising to FFr 33.9bn against FFr 27.7bn. About FFr 290m of the 1979 profit was due to asset sales, against FFr 125m in the previous year.

Peciney's improved performance follows a far-reaching reorganisation designed to cut its losses in industries where it has faced difficulties in recent years, while releasing funds for investment in growth sectors.

It recently sold most of its holding in the Rhone-Poulenc chemicals group, and in the course of the last 12 months has divested itself of the essential part of its interests in radiator production, fertilisers, wire and cable manufacturing, and tungsten treatment. The bulk of inevtsment is going into the aluminium and nuclear fuels business.

A decision on the future of PUK's special steels subsidiary is expected shortly. It is probable that this activity will also be sold, or join a co-operative venture. But in the meantime, Pechiney has succeeded in cutting its heavy losses in steel manufacturing. The consolidated deficit in this business fell from FFr 524m in 1978 to FFr 166m last year.

Because of this turnround in special steels, PUK pulled its French activities back into profit last year. In 1978, they were in overall loss, the gruop profits coming entirely from overseas sources. The forlegn businesses again performed better than the home activities in 1979, and contributed the major part of the earnings.

The group says that it has started this year well, improving both its sales and earnings in the first few months, and pulling the special steels business back onto a sound financial footing.

zConsolidated cash flow last year rose 117 per cent to FFr 2.6bn against FFr 1.2bn.

Despite the improved consolidated results from the group, PUK's parent company has declared heavy losses of FFr 1.3bn after provisions of FFr 536m for depreciation in Ugine Steels, and a further provision of FFr 1bn against exceptional risks. The company is proposing a dividend of FFr 7 a share against FFr 7.50 in 1978.

St. Gobain confirms pact with Olivetti

PARIS — Saint - Gobain-Point-a-Mousson confirmed yesterday that it will acquire a minority but significant stake in the capital of Olivetti, Italy's leading electronics and office equipment group.

The accord, expected to be announced in the next few days, will be "industrial and financial" and subject to government approval in both countries, Saint-Gobain said.

An agreement with Olivetti is consistent with Saint-Gobain's new strategy of diversification into data-processing, a move encouraged by the French government.

The French company recently acquired 20 per cent of CII-Honeywell-Bull, the French-U.S. computer company and expects to increase the stake in the near future. It also has a 51 per cent interest in an integrated-circuit plant being built in southern France with National Semiconductor of the U.S.

The ultimate goal of Saint-Gobain is to form the nucleus for a European electronics and office equipment group—but one which "is not directed against the Americans," the company said.

Industry observers do not rule on the possibility of co-operation, in the longer term, between Olivetti and Honeywell-Bull.

They point out that the two companies are complementary, and that Honeywell-Bull, in which Honeywell Information Systems of the U.S. has a 47 per cent interest, does not have the financial base to branch out into the growing field of sophisticated office equipment.

Olivetti and Matra of France recently announced agreement for a joint-venture to develop and produc equipment for the electronic transmission of mail and written documents over telephone lines.

AP-DJ

Norwegian smelter pays more

BY FAY GJESTER IN OSLO

NORWEGIAN metals, mining, manufacturing and engineering concern Elkem-Spigerverket (E-S) reports a sharp increase in turnover and profits for 1979. A 12 per cent dividend is recommended, compared with 8 per cent.

The results reflect continuing strong demand for ferro alloys and aluminium and an improvement in the market for steel.

Group profit reached NKr 263m ($47.8m), after ordinary depreciation of NKr 161m but before tax and allocations. This compares with NKr 33m in 1978, after depreciation of NKr 139m. Group turnover rose to NKr 3.57bn from NKr 3.06bn, and exports from the group's Norwegian plants accounted for about two-thirds of total sales.

Investment last year totalled NKr 193m, compared with NKr 117m. The year saw a considerable increase on the group's overseas activities, including the takeover of the UK company, Bidston Steel, whose activities have been co-ordinated with E-S's Manchester Steel, a mini steel plant.

Production was started last year at Icelandic Alloys, a ferro silicon plant in Iceland in which the group has a 45 per cent stake. In the U.S., E-S acquired Austin Holloway, manufacturers of steel cables.

By end 1979, foreign employees accounted for about 1,200 of E-S's 9,500 labour force.

While steel, aluminium and ferro alloy divisions benefited from strong world demand, the engineering division booked fewer orders than a year earlier. The division supplies equipment for the world's metal smelting industry, for which expansion is currently restricted by the energy crisis.

Profits on sales of manufactured goods, which go mainly to the Norwegian market, were hit by last year's price freeze. The report notes, however, that because of the freeze costs rose less last year than in the preceding years.

● The Norwegian loan institute for shipbuilding Lâaneinstituttet for Skipsbyggeriene is floating a NKr 100m, 10-year domestic bond at par, with a coupon of 10 per cent. The bond goes on sale today and tomorrow.

Jaeger lifts earnings

By Our Financial Staff

INCREASED profits and a higher dividend were announced yesterday by Jaeger, the French vehicle instrumentation and watch making group.

Group income last year was FFr 29.3m ($6.7m) compared with FFr 2.4m, and as a result cash-flow expanded by a fifth to Fr 92.2m. The net dividend is Fr 8 per share, against FFr 7.10.

Sales figures are not available but following a rise of more than a quarter in sales for the first half of 1979, the company forecast an annual turnover of FFr 1.2bn compared to FFr 957m for 1978.

State subsidy for iron and steel producer

BY OUR OSLO CORRESPONDENT

THE NORWEGIAN Government proposes to spend NKr 700m ($140m) over the next five years to subsidise production and finance investment in Norsk Jernverk, Norway's state-owned iron and steel producer.

It recommends an initial allocation of NKr 100m this year, half as an increase in share capital and the rest as an operating subsidy. The remaining NKr 600m will be allocated in the state budgets for the next four years.

In its report to the Storting (Parliament) the Government attributes Jernverk's operating loss over the past few years to the world steel crisis. It points out that in Western Europe many governments have acted to strengthen their national steel industries. Norway has no alternative but to follow suit if it wants to keep Jernverk in operation.

Last year, Jernverk made a loss of NKf 100m, compared with one of NKr 171m in 1978. It expects to be profitable by 1983 or 1984.

Remy Martin plans Hong Kong issue

By Our Financial Staff

REMY MARTIN, one of France's big four cognac producers, is to go public in the Far East with a share issue that will raise the equivalent of $17.5m.

Next Tuesday will see the publication in Hong Kong of a prospectus for Remy Martin (Far East) which will offer 12.5m shares (25 per cent of its capital) for sale at HK$7 a share.

HANOVER TRADE FAIR

Modest profits gain for Nixdorf

BY KEVIN DONE IN HANOVER

NIXDORF, the West German computer group, has continued its recent record of rapid sales growth, increasing world turnover last year by 23 per cent to DM 1.25bn ($665m).

Group after tax profits—Nixdorf has published consolidated world accounts for the first time—totalled DM 85m. This was a small increase over the previous year, said Dr. Ewald Keysers, board member for finance, but he was unable to give a comparable figure for 1978.

The profitability of the parent concern showed a sharp drop last year, however, with after tax profits falling to DM 23.4m compared with DM 33.1m in 1978. But Nixdorf is still paying a slightly increased dividend of DM 8 per share, compared with DM 7.50.

The growth of sales and new orders has continued strongly into the current year with sales rising by more than 20 per cent in the first quarter. Nixdorf's order book stood at just over DM 1bn at the end of March, up by about 16 per cent from the end of 1979. The workforce increased by about 1,400 last year to almost 12,000.

Investment last year totalled DM 165m with the bulk spent on expanding capacity. Production capacity at the main West German plant at Paderborn will be increased by about 40 per cent this year. Research and development expenditure is expected to reach about 10 per cent of sales this year, which is above the average for the electronics industry in West Germany.

No decisions had yet been taken on the future deployment of the 25 per cent shareholding in Nixdorf held by Deutsche Bank, said Herr Helmut Rausch, a member of the executive board.

The group received a DM 200m capital injection from Deutsche Bank at the end of 1978 to aid future expansion.

Under the agreement the bank will hold its 25 per cent until the beginning of 1982, when a decision on it must be taken. Nixdorf is still majority family-owned with Herr Heinz Nixdorf as the chairman of the executive board.

The further expansion of the Nixdorf group is being focused on extending customers' computer networks with the addition of new applications. Has a customer-base of more than 70,000 installations. The company is also entering fields such as energy technology with a control ssytem for the burning of solid fuels.

Fried. Krupp sees no signs of recession

BY KEVIN DONE

FRIED. KRUPP, the West German steel, trading and mechanical engineering group, said that it saw no signs of a recession emerging in West Germany this year, and it was counting on domestic industry continuing to invest at a high level this year.

There were signs of weakening demand from abroad, however, and generally lower growth was expected in the Western industrialised countries.

Herr Helmut Metzger, a member of the board of Fried. Krupp, said that in the first three months of the year it took new orders worth DM 3.6bn ($1.9bn) worldwide, an increase of 8 per cent on the first quarter of last year. The steelmaking and trading sectors had shown the main rise.

Like Krupp, most major West German companies gathering in Lower Saxony this week for the Hanover Trade Fair, the largest capital goods fair in the world, still appeared to be enjoying the high level of activity reached last year.

They are wary, however, about making firm predictions for the second half of 1980, and some concern is being expressed about the effects of the U.S. high technology trade embargo against the USSR.

Dr. Hans Guenter Mueller, chairman of Mannesmann Demag, the pipeline and process plant building concern, said that the embargo was being felt in the area of special computers and control systems. He expressed doubts about the results of such an embargo, and warned that it involved dangers for employment and economic activity in Western countries. He said his company was trying to sustain deliveries in non-critical product sectors.

The West German mechanical engineering industry's new orders in the first two months of the year were up 17 per cent from a year earlier, he said.

Mannesmann Demag had boosted its new orders in the first three months of 1980 by 134 per cent to DM 3bn, largely as a result of a number of large proces plant orders, including a DM 440m order from China. Last year, process plant accounted for 54 per cent of new orders, but in the first quarter of this year its share jumped to 68 per cent.

Herr Metzger said the process plant and mechanical engineering industry would have to adapt its manufacturing capacity to meet new conditions.

"A decline in the amount of manufacture at home is unavoidable," he said.

"Our customers abroad, especially those in the industrialising and developing countries, are increasingly demanding local manufacture. What is more, plant contractors nowadays are compelled, for reasons of cost, to buy from sub-suppliers throughout the world in order to remain competitive."

Oppenheim expects slow growth

BY ROGER BOYES IN BONN

SAL OPPENHEIM und Cie, one of West Germany's leading privately-owned banks, expects slow growth in profits this year, despite a slight easing of pressure on its interest rate margins. This factor—which has been troubling other German banks—also pushed the bank's earnings last year below the high levels of 1978.

Nonetheless, the interest surplus as a whole increased last year, and together with foreign exchange earnings, adequately covered the substantial increase in administrative costs. The bank's balance sheet total increased by 7.2 per cent to DM 2.9bn ($1.5bn)—a sharper increase than in 1977-78.

Busines volume rose by 5.2 per cent to DM 3.3bn. The group's balance sheet total rose by 6.1 per cent to DM 9bn, while business volume increased by 5.5 per cent to DM 9.4bn.

Despite the bank's caution over its earnings outlook, there are a number of factors that are expected to work in its favour, including lively demand on the credit side, a slight improvement in interest margins following the central bank's recent move to raise interest rates, and the prospect of more foreign business.

● In Tuesday's report on the Berliner Handels und Frankfurter Bank, it was reported that the bank would cut its workforce by 10 per cent this year. This should have read "during the 1980s." The bank hopes to achieve the reduction through early retirements and natural wastage.

Setback for Lauritzen

By Hilary Barnes in Copenhagen

LAURITZEN, the shipping and industrial group, reported net earnings down from DKr 169m ($28.7m) to DKr 108m. An unchanged 8 per cent dividend will be paid by the parent company, J. Lauritzen Holdings.

Earnings deteriorated in the group's shipping, shipbuilding and manufacturing interests. The drop in earnings by the DFDS Shipping company from DKr 102m to DKr 13m contributed substantially to the decline.

Dai-Ichi Kangyo to issue CDs in SDRs

TOKYO — Dai-Ichi Kangyo Bank said that it plans to issue the first certificates of deposit (CDS) denominated in special drawing rights (SDRs,) to a total of 15m SDRs, (equivalent to around $19m) on the Eurocurrency market.

The CDS will have a three-year maturity, with floating interest rates based on the weighted interest rates of the U.S., West German, UK, French, and Japanese currencies on the Eurocurrency market. The initial interest rate will be about 15 per cent per annum.

Morgan Stanley and Company will underwrite the CDS, for which subscription will open shortly.

The bank will also start receiving shortly three-month and six-month deposits denominated in SDRs, mainly at overseas branch offices.

The deposits should be a minimum of 5m SDRs and will offer initial interest rates slightly above 14 per cent per annum for three-month deposits and about 14 per cent for six-month deposits.

The issue of SDR-denominated CDS and SDR-denominated deposits would diversify the bank's fund-raising sources and open a fresh channel for capital flows into Japan, the bank said.

West European institutional investors and central banks of oil-producing countries were expected to invest in the SDR-denominated CDS or deposits because of smaller currency risks and narrower fluctuations in interest rates than single-currency denominated CDS or deposits.

The U.S. dollar will be the only currency accepted for the SDR CDS or deposits, Dai-Ichi Kangyo Bank said.
Reuter

News Corporation suffers first-half downturn

BY JAMES FORTH IN SYDNEY

NEWS CORPORATION, the international press group controlled by Mr. Rupert Murdoch, suffered a 19.3 per cent downturn in profit for the December half, from A$15.1m to A$12.18m (US$ 13.3m). The directors said that the fall in trading profit was largely the result of the launching of the gambling game, Lotto in New York, and higher charges in Australia for tax, interest, and depreciation. Otherwise the group's major trading operations lifted their profits.

The result is the first since the recent capital reconstruction involving the News Corporation being formed as a holding company to replace the former parent company, News Ltd. The reconstruction resulted in an effective one-for-one scrip issue.

The profit is after an increase in tax from A$4.84m to A$5.44m, and in depreciation from A$1.73m to A$2.41m. The interest bill rose from A$3.17m to A$4.84m. Gross revenue increased 19.8 per cent, from A$110.5m to A$132.4m

News Corporation has already announced an interim dividend of 4 cents a share, which is an effective increase of 2 cents on the interim paid last year by News Ltd. In addition to the trading surplus, News made profits of A$19.5m from none-trading activities, mainly representing the sale of the Adelaide television station, NWS-9, and the Wollongong television station, WIN-4.

During the half-year, News gained control of United Telecasters, Sydney, and a 50 per cent stake in the airline, transport and television group, Ansett Transport Industries. News now holds more than 70 per cent of United Telecasters and is bidding for the remainder. The results in the current half will reflect the Ansett holding for the first time, and a greater percentage of United Telecasters profits. As reported yesterday, the UK arm, News International, publisher of the News of the World and the Sun, and 49.9 per cent owned by News Corporation lifted pre-tax earnings from £24.9m to £27.9m (US$60.9m) in the year to December.

EPDC stake in Athol blocked

BY OUR SYDNEY CORRESPONDENT

THE AUSTRALIAN Government has rejected an application by the Japanese power utility, Electric Power Development Company (EPDC) to purchase a 19 per cent stake in the A$500m (U.S.$545m) Blair Athol steaming coal project in Queensland. The rejection has thrown the future of the venture into confusion.

In February EPDC signed a letter of intent with the shareholders of Blair Athol, the Rio Tinto-Zinc Corporation offshoot Conzinc Riotino of Australia (CRA), and the major U.S. oil company, Arco. EPDC was to have an option to purchase 19 per cent of Blair Athol, exercisable on the conclusion of sales contracts for the Japanese group to take 5m tonnes of coal a year for 15 years, together with financing assistance.

The wording indicated that the two elements could be inter-dependent and the Government's rejection of one element casts doubt upon the other.

CRA officials were unable to clarify the position. EPDC's application was rejected by Mr. John Howard, the Federal Treasurer and was based on a recommendation by the Foreign Investment Review Board.

The arrangement was rejected because it did not meet the general rule that new mining projects must have a local equity of at least 50 per cent. If the deal had gone through CRA would have had a 50.22 per cent equity and Arco 30.78 per cent. Both companies are classed as "naturalising" because they have given an undertaking to lift their local equity content to 51 per cent.

Under the Government's formula they are allowed to count 50 per cent of their interest as local equity, which together would amount to 41 per cent, still 9 per cent short of the required level. The foreign ownership guidelines allow the 50 per cent equity to be waived if it is considered to be in the national interest, but this step has not been taken.

The Blair Athol partners are attempting to work out a compromise, but CRA is loath to reduce its stake any further because it would no longer have outright control. CRA has been working on the Blair Athol project for almost a decare. At one stage, in 1976, it was shelved because steaming coal prices did not justify development, but the recent increase in demand for steaming coal for power generation, led to its revival.

Tongaat earnings exceed forecast

By Jim Jones in Johannesburg

TONGAAT, the South African sugar, building materials, textiles and foodstuffs conglomerate, has reported a 34.9 per cent rise in attributable earnings to R16.95m ($21m) for the year to March 31, from R12.6m in 1978-79.

Following an earnings projection of 70 cents per share at the start of the financial year, the management increased its estimate to 75 cents at the half-way stage. In the event, earnings per share rose to 80.0 cents, from 60.7 cents.

Though no details are provided in the preliminary announcement of results, Tongaat's operations have improved across the board. At the half way stage the 74.7 per cent-owned building materials manufacturer, Toncoro, had increased taxed profits to R3.8m from R1.4m. The improvement has persisted with the country's building sector emerging from recession.

On the other hand, while sugar earnings have advanced, a setback in the sector could be in the offing, in view of the widespread drought conditions in the Natal growing region threatening the current year's crop. Elsewhere, Tongaat is pursuing growth through acquisition. A R15m bid for H. Lewis, the cotton, oil, soap and maize milling group, is under way, while a R13.6m bid for the R30m turnover Hebox textiles group is still to be completed.

Tongaat's proposed 21 cents final, which compares with 16 cents, will lift the year's total distribution to 30 cents, against 23.2 cents.

Stock profits boost Shell Malaysia

BY WONG SULONG IN KUALA LUMPUR

AFTER-TAX profit of Shell Refining Company of Malaysia for the year ending December, 1979 rose sharply to 34.4m ringgit ($15m) from 15.2m ringgit, but the company said this was "entirely due to one-time stock profits which arose as a result of the rapid increase in crude oil prices during the year. "The final dividend is 12.5 per cent making 20 per cent for the year against 17.5 per cent for 1978. Turnover rose by 44 per cent to 935m ringgit, reflecting higher prices of oil products during the year.

Shell said the refining level for 1979 averaged 69,770 barrels per day, representing an increase of 8.5 per cent. Refining for third parties rose by 14.5 per cent to 20,480 barrels per day.

Shell said that without the one-time stock profits, the result would have been considerably lower than for the previous and if calculated on a current cost accounting basis, the actual result would have been a loss of 4.5m ringgit.

Shell, which together with foreign oil companies, has been seeking a price increase to compensate for the OPEC price rise of last November, but the Malaysian Government appears to be delaying its permission for as long as possible.

The Government feels that foreign oil companies are benefitting in two ways—from their share of Malaysian oil under production sharing agreements, and from passing on to Malaysian consumers the full impact of OPEC price increases.

Terms for Bank Leumi rights issue

By L. Daniel in Tel Aviv

BANK LEUMI le Israel, the country's oldest and largest bank, has published its prospectus for what will be the largest ever rights issue on the Tel AVIV Stock Exchange. The bank is to raise I£1.5bn (U.S.$37.5m) which will bring its capital means to I£20bn.

The issue consists of I£290.8m nominal of ordinary shares at I£3.50 per share; I£87.2m of options at I£3; and a further I£70m of options at the same price for the employees and pensioners of the bank. The shares and options will be sold in the form of 29.1m units, each consisting of ten shares and three options.

Each holder of shares, capital notes, or options is eligible in the proportion of one unit per holding of 100 shares or the equivalent.

The Bank did not raise any additional capital on the local market in 1979, but did turn to the Eurodollar market through its subsidiaries. The issue price is about 60 per cent of the current quotation for shares already traded on the exchange.

Inchcape buys forest stake

By Georgie Lee in Singapore

INCHCAPE BERHAD has acquired a 35 per cent stake in a Papupa New Guinea timber company, Commonwealth New Guinea Timbers, at a cost of about S$9.28m (US$4.1m).

The company, which is ot be renamed PNG Forest Products Pty, is involved in a wide range of timber processing.

For the year to December, pre-tax profits of the company were S$2.63m. Howevre, in the current year pre-tax profit is expected to reach S$7.93m (US$3.5m).

VONTOBEL EUROBOND INDICES
14.5.76=100%

PRICE INDEX	15.4.80	8.4.80	AVERAGE YIELD	15.4.80	8.4.80
DM Bonds	89.75	86.69	DM Bonds	9.538	9.961
HFL Bonds & Notes	88.80	84.94	HFL Bonds & Notes	10.695	11.286
U.S. $ Strt. Bonds	81.32	80.21	U.S. $ Strt. Bonds	12.706	12.948
Can. Dollar Bonds	82.74	82.53	Can. Dollar Bonds	13.395	13.429

Companies and Markets

CURRENCIES, MONEY and GOLD

Dollar slumps

THE DOLLAR fell sharply in currency markets yesterday following a cut in U.S. prime rates to 19½ per cent from 20 per cent, started by Chase Manhattan Bank. The U.S. unit had been slightly softer in fairly inactive trading before the announcement, but suffered heavily afterwards. Dollar sentiment was further undermined by continued uncertainty over the situation in Iran. However dealers suggested that yesterday's fall was more a short term reaction rather than the beginning of any sustained fall in the dollar, pointing out that central banks were likely to prevent any prolonged deterioration of the U.S. unit, and that the Middle East situation could possibly affect other currencies even harder than the dollar.

Euro-dollar rates were correspondingly lower, following the fall in prime rates. The three-month rate fell to 17⅞ per cent from 18⅜ per cent and the one-year rate was lower at 16 per cent against 16⅜ per cent.

Against the D-mark the dollar finished at DM 1.8660, sharply lower than Tuesday's closing level of DM 1.9050, and its lowest level for nearly a month. After hours quotations saw it fall even further to DM 1.8610. In terms of the Swiss franc, the U.S. unit fell to SwFr 1.7330 compared with SwFr 1.7850 previously. The Japanese yen was also stronger, and the dollar fell to Y249.30 from Y252.80. On Bank of England figures, the dollar's trade weighted index fell from 89.39 to 89.0.

Sterling was much firmer against the dollar but down against European currencies, and this was reflected in its trade weighted index, which rose to 72.8 from 72.7, having stood at 72.8 at noon and in the morning. Against the dollar it opened at $2.1985 and eased to $2.1950 on early dollar demand, but came back to $2.1975 around noon. During the afternoon it fell to a low of $2.1935, but rose sharply, as the dollar reacted to the prime rate news, to a high of $2.2190. It closed at $2.2175-2.2185, a rise of 3.25c.

D-MARK — Weaker within the European Monetary System and against the dollar, following expectations of a continuing balance of payments deficit in Germany and effects of anti-inflation measures and higher interest rates in the U.S. — The dollar was hardly changed at the fixing at DM 1.8908 compared with DM 1.8910 on Tuesday, and there was no intervention by the Bundesbank. Dealers thought that the dollar may improve further following a decision by the Bundesbank not to hold a press conference after today's

BELGIAN FRANC — One of the weakest members of the EMS, but central bank intervention and record interest rates have lifted the franc above its floor within the system — The Belgian franc was largely unchanged on balance against other EMS currencies in Brussels, rising against the D-mark and French franc, but easing in terms of the Dutch guilder and Danish krone. The latest weekly statement by the National Bank of Belgium showed that the authorities spent over BFr 2bn last week supporting the Belgian franc, mainly against the French franc, which is the strongest EMS currency. This is compared with an estimated BFr 4.6bn spent in the previous week, and reflects a slight easing of pressure against the Belgian franc. Yesterday's fixing saw both sterling and the U.S. dollar improve against the franc.

THE POUND SPOT AND FORWARD

April 16	Day's Spread	Close	One month	% p.a.	Three months	% p.a.
U.S.	2.1935-2.2190	2.2175-2.2185	0.03cpm-0.07dis	−0.11	0.37-0.47dis	−0.76
Canada	2.6120-2.6330	2.6305-2.6315	0.50-0.40c pm	2.05	0.63-0.53 pm	0.88
Nethlnd.	4.52-4.57	4.53-4.54	3-2c pm	6.61	7¼-6¼ pm	6.39
Belgium	66.50-66.95	66.65-66.75	4c pm-6 dis	−0.18	12-2 pm	0.42
Denmark	12.88-12.94	12.88½-12.89½	1½-3ore dis	−2.09	9-10½ dis	−3.03
Ireland	1.1000-1.1095	1.1013-1.1023	0.14-0.09p pm	1.25	0.38-0.33 pm	1.29
W. Ger.	4.12-4.17	4.13½-4.14½	3⅝-2⅝pf pm	8.33	8⅞-7½ pm	7.73
Portugal	111.00-112.20	111.85-112.05	10-50c dis	−3.21	25-130 dis	−2.77
Spain	158.90-159.90	159.70-159.80	10-50c dis	−2.25	140-200 dis	−4.26
Italy	1932-1942	1933½-1934½	9-7lire pm	4.96	6-4 pm	1.03
Norway	11.17-11.23	11.21-11.22	3⅝-2⅝ore pm	3.08	9½-8 pm	3.12
France	9.56-9.63	9.61½-9.62½	4-3c pm	4.36	10¾-9¾ pm	4.26
Sweden	9.65-9.69	9.65¾-9.66¾	3¾-3ore pm	4.19	9¼-8½ pm	3.67
Japan	550-558	552½-553½	2.35-2.00y pm	4.72	5.45-5.10 pm	3.81
Austria	29.60-29.85	29.78-29.83	20-15gro pm	7.04	56-45 pm	6.71
Switz.	3.83-3.90	3.84-3.85	3¾-2¾c pm	8.58	9⅞-8⅞ pm	9.75

Belgian rate is for convertible francs. Financial franc 68.75-68.85. Six-month forward dollar 0.37-0.47c dis. 12-month 0.15-0.05c pm.

THE DOLLAR SPOT AND FORWARD

April 16	Day's Spread	Close	One month	% p.a.	Three months	% p.a.
UK†	2.1935-2.2190	2.2175-2.2185	0.03cpm-0.07dis	−0.11	0.37-0.47dis	−0.76
Ireland†	1.9825-2.0100	2.0060-2.0100	0.25-0.15c pm	1.21	0.30-0.20 pm	0.50
Canada	1.1874-1.1920	1.1893-1.1896	0.33-0.30c pm	3.17	0.60-0.55 pm	1.93
Nethlnd.	2.0655-2.0710	2.0655-2.0670	1.23-1.16c pm	6.93	3.81-3.74 pm	7.30
Belgium	30.06-30.41	30.05-30.07	3-1½c pm	0.89	12-19 pm	1.38
Denmark	5.8670-5.8760	5.8725-5.8750	0.50-1.00ore dis	−1.53	2.25-2.75dis	−1.70
W. Ger.	1.8640-1.8950	1.8655-1.8665	1.38-1.28pf pm	8.55	4.18-4.08 pm	8.85
Portugal	49.75-50.65	49.75-50.00	5c pm-20 dis	−1.78	par-45 dis	−1.78
Spain	72.00-72.42	72.00-72.10	15-25c dis	−3.32	50-70 dis	−3.32
Italy	880.50-882.50	880.50-881.50	1¾-¼lire pm	1.70	2½-1 pm	0.79
Norway	5.0930-5.0970	5.0945-5.0965	1.75-1.25ore pm	3.53	5.75-5.25 pm	4.32
France	4.3350-4.3765	4.3350-4.3400	1.83-1.73c pm	4.89	5.80-5.60 pm	5.22
Sweden	4.4000-4.4030	4.4000-4.4010	1.70-1.30ore pm	4.09	5.20-4.80 pm	4.54
Japan	249.00-252.20	249.25-249.35	1.05-0.90y pm	4.69	3.05-2.90 pm	4.77
Austria	13.64½-13.49½	13.47½-13.49½	8.70-8.00gro pm	7.43	27.50-25.00pm	7.79
Switz.	1.7220-1.7740	1.7325-1.7335	1.46-1.36c pm	9.83	4.80-4.72pm	10.99

† UK and Ireland are quoted in U.S. currency. Forward premiums and discounts apply to the U.S. dollar and not to the individual currency.

CURRENCY RATES

April 15	Bank rate %	Special Drawing Rights	European Currency Unit
Sterling	17	0.574745	0.607577
U.S. $	13	1.26329	1.33576
Canadian $	16.2	1.49940	1.58434
Austria Sch	6¾	17.0506	17.9927
Belgian F	14	38.5788	40.5403
Danish K	13	7.42183	7.84090
D'Mark	7	2.38888	2.52191
Guilder	9½	2.61375	2.76181
French Fr.	9½	5.51900	5.83192
Lira	15	1113.59	1177.47
Yen	9	318.728	335.208
Norwgn. Kr.	9	6.44531	6.80168
Spanish Pts	8	91.2618	96.5619
Swedish Kr.	10	5.4774	5.86358
Swiss Fr.	3	2.22654	2.35093

CURRENCY MOVEMENTS

April 16	Bank of England Index	Morgan Guaranty Changes %
Sterling	72.8	−32.6
U.S. dollar	89.0	−4.7
Canadian dollar	80.7	−17.8
Austrian schilling	155.0	+22.0
Belgian franc	114.1	+13.1
Danish kroner	106.0	−5.5
Deutsche mark	153.2	+44.2
Swiss franc	195.0	+78.4
Guilder	124.9	+19.5
French franc	100.5	−5.7
Lira	53.3	−50.7
Yen	116.2	+14.9

Based on trade weighted changes from Washington agreement December, 1971 (Bank of England Index=100).

OTHER CURRENCIES

April 16	£	$		£ Note Rates
Argentina Peso	3786-3806	1760-1777	Austria	29.50-29.80
Australia Dollar	2.0210-2.0260	0.9120-0.9130	Belgium	68.30-68.90
Brazil Cruzeiro	104.16-105.16	48.14-48.34	Denmark	12.83-12.90
Finland Markka	8.42-8.44	3.8330-3.8360	France	9.55-9.61
Greek Drachma	91.801-93.960	41.80-42.10	Germany	4.14-4.17
Hong Kong Dollar	11.03-11.05	5.0050-5.0100	Italy	1905-1955
Iran Rial	n/a	n/a	Japan	553-558
Kuwait Dinar(KD)	0.601-0.611	0.2756-0.2757	Netherlands	4.52-4.55
Luxembourg Frc.	66.65-66.75	30.05-30.07	Norway	11.16-11.23
Malaysia Dollar	5.0580-5.0690	2.2880-2.2930	Portugal	106½-111
New Zealand Dlr.	2.3310-2.3370	1.0515-1.0530	Spain	154-161½
Saudi Arab. Riyal	7.26-7.36	3.3300-3.3305	Sweden	9.65-9.70
Singapore Dollar	4.9370-4.9480	2.2320-2.2370	Switzerland	3.86½-3.89½
Sth. African Rand	1.7890-1.7910	0.8065-0.8075	United States	2.194-2.203
U.A.E. Dirham	8.16-8.26	3.7370-3.7380	Yugoslavia	50-52

Rate given for Argentina is free rate.

EMS EUROPEAN CURRENCY UNIT RATES

	ECU central rates	Currency amounts against ECU April 16	% change from central rate	% change adjusted for divergence	Divergence limit %
Belgian Franc	39.7897	40.5518	+1.92	+1.01	±1.53
Danish Krone	7.72336	7.83566	+1.45	+0.54	±1.64
German D-Mark	2.48208	2.52232	+1.62	+0.71	±1.125
French Franc	5.84700	5.83541	−0.20	−1.11	±1.3557
Dutch Guilder	2.74362	2.76195	+0.67	−0.24	±1.512
Irish Punt	0.668201	0.672298	+0.61	−0.30	±1.668
Italian Lira	1157.79	1176.82	+1.64	+1.24	±4.08

Changes are for ECU, therefore positive change denotes a weak currency. Adjustment calculated by Financial Times.

EXCHANGE CROSS RATES

April 16	Pound Sterling	U.S. Dollar	Deutschem'k	Japan'se Yen	French Franc	Swiss Franc	Dutch Guild'	Italian Lira	Canada Dollar	Belgian Franc
Pound Sterling	1.	2.218	4.140	553.0	9.620	3.845	4.535	1934.	2.631	66.70
U.S. Dollar	0.451	1.	1.867	249.3	4.337	1.734	2.045	872.0	1.186	30.07
Deutschemark	0.242	0.536	1.	133.6	2.324	0.929	1.095	467.1	0.636	16.11
Japanese Yen 1,000	1.808	4.011	7.486	1000.	17.40	6.953	8.201	3497.	4.758	120.6
French Franc 10	1.040	2.306	4.304	574.8	10.	3.997	4.714	2010.	2.735	69.33
Swiss Franc	0.260	0.577	1.077	143.8	2.502	1.	1.179	503.0	0.684	17.35
Dutch Guilder	0.221	0.489	0.913	121.9	2.121	0.848	1.	426.5	0.580	14.71
Italian Lira 1,000	0.517	1.147	2.141	285.9	4.974	1.988	2.345	1000.	1.360	34.49
Canadian Dollar	0.380	0.843	1.574	210.2	3.655	1.461	1.724	735.1	1.	25.35
Belgian Franc 100	1.499	3.325	6.207	829.1	14.42	5.765	6.799	2900.	3.945	100.

EURO-CURRENCY INTEREST RATES

The following nominal rates were quoted for London dollar certificates of deposit: one-month 17.40-17.50 per cent; three-months 17.55-17.65 per cent; six months 17.30-17.40 per cent; one year 15.50-15.60 per cent.

April 16	Sterling	U.S. Dollar	Canadian Dollar	Dutch Guilder	Swiss Franc	West German Mark	French Franc	Italian Lira	Asian $	Japanese Yen
†Short term	17-17¼	18⅛-18⅜	8½-9½	10⅝-10⅞	12-40	8 7/16-8 11/16	12¼-12½	12-14	18¼-18⅜	10½-10¾
7 days' notice	17⅛-17⅜	18⅛-18⅜	8½-9½	10⅝-10⅞	8-9	8 9/16-8 11/16	12¼-12½	13-15	18¼-18⅜	11½-11¾
Month	17⅜-17⅝	17-17¼	14⅜-14¾	10⅝-10⅞	7½-7⅝	8⅞-9	12⅜-12⅝	15-16	17 9/16-17 11/16	12 1/16-12 5/16
Three months	17⅜-17⅝	17⅝-17⅞	15½-15⅞	10¾-11	7 9/16-7 11/16	9 7/16-9 11/16	12¾-13	16½-17½	18 1/16-18 3/16	13-13¼
Six months	16¾-17	16¾-17	15-15⅝	11-11¼	7 7/16-7 9/16	9 5/16-9 9/16	13¼-13½	17-18	17¼-17⅜	12¾-13
One year	16⅜-16⅝	15⅞-16⅛	14¾-15⅛	11⅛-11⅜	7 7/16-7 9/16	9 3/16-9⅛	13⅜-13⅝	17½-18½	16 1/16-16 7/16	11½-11¾

Long-term Eurodollar two years 15¼-15½ per cent; three years 14⅞-15⅛ per cent; four years 14⅝-14⅞ per cent; five years 14½-14¾ per cent; nominal closing rates. Short-term rates are call for sterling, U.S. dollars, Canadian dollars and Japanese yen; others two days' notice. Asian rates are closing rates in Singapore.

INTERNATIONAL MONEY MARKET

Interest rates mixed

Interest rates showed mixed changes in the world's money markets yesterday, with Chase Manhattan Bank leading the way to lower U.S. bank prime rates by cutting its prime rate to 19½ per cent from 20 per cent. This was the first reduction since last June when Morgan Guaranty became the first major bank to cut its prime rate to 11½ per cent from 11¾ per cent.

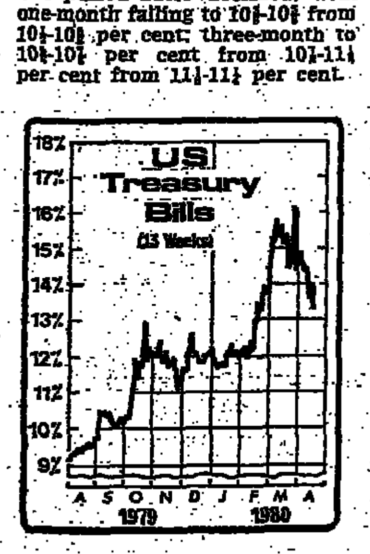
In Paris interest rates were firmer. Call money returned to 12¼ per cent, after touching 12 per cent on Tuesday, the lowest level for nearly a month.

In Amsterdam call money was unchanged at 10¼-10⅝ per cent, but period rates declined, with one-month falling to 10⅜-10⅝ from 10½-10⅞ per cent; three-month to 10⅜-10⅞ per cent from 10⅞-11⅛ per cent from 11⅛-11⅜ per cent.

In Frankfurt call money rose to 8.75-8.85 per cent from 8.50-8.70 per cent, while one-month was quoted at 9.35-9.45 per cent compared with 9.30-9.50 per cent; three-month at 10.30-10.40 per cent compared with 10.20-10.40 per cent; and six-month at 10.40-10.50 per cent compared with 10.30-10.50 per cent. Twelve-month funds fell to 10.25-10.35 per cent from 10.30-10.50 per cent.

In Brussels deposit rates showed little change yesterday after the reduction in Belgian short-term Treasury certificate rates on Tuesday.

In Singapore the authorities announced an offering of S$40m in 91-day Treasury bills, to redeem a similar number of bills.



MONEY RATES

NEW YORK	
Prime Rate	19½-20
Fed. Funds	18⅞-18¾
Treasury Bills (13-week)	13.35
Treasury Bills (26-week)	13.00
GERMANY	
Discount Rate	7
Overnight Rate	8.80
One month	9.40
Three months	10.35
Six months	10.45
FRANCE	
Discount Rate	9.5
Overnight Rate	12.25
One month	12.4375
Three months	12.875
Six months	12.9375
JAPAN	
Discount Rate	9
Call (Unconditional)	12.125
Bills Discount (three-month)	13.8125

GOLD

Firmer trend

Gold rose in fairly active trading in the London bullion market yesterday to $527-532, a rise of $32 an ounce from Tuesday's close. The metal opened at $511-516 and had risen to $520 at the afternoon fixing, when news of cuts in U.S. prime rates provided the impetus to push it to a high of $533-537.

In Paris the 12½ kilo bar was fixed at FFr 74,350 per kilo ($528.51 per ounce) compared with FFr 74,000 ($526.98) in the morning and FFr 71,250 ($507.26) on Tuesday afternoon.

In Frankfurt gold closed at $518-523 compared with $495-500 on Tuesday.

In Zurich the metal closed at $530-535 against $493-498 previously.

	April 16		April 15	
Gold Bullion (fine ounce)				
Close	$527-532	(£237½-240)	$495-500	(£225-226½)
Opening	$511-516	(£232½-245)	$500-505	(£227½-229)
Morning fixing	$513.50	(£233.696)	$495.50	(£225.227)
Afternoon fixing	$520	(£236.278)	$497.50	(£226.579)
Gold Coins				
Krugerrand	$544-549	(£245½-248½)	$511-516	(£233-236)
Mapleleaf	$540-550	(£244-249)	$505-515	(£231-236)
New Sovereigns	$134-137	(£60½-62½)	$126-129	(£57½-59½)
King Sovs	$162-166	(£73-75)	$156-160	(£71-74)
Victoria Sovs	$162-166	(£73-75)	$156-160	(£71-74)
French 20s	$138-143		$132-137	
50 pesos Mexico	$646-656		$618-628	
100 Cor. Austria	$520-530		$485-495	
$20 Eagles	$645-655		$640-645	
$10 Eagles	—		—	
$5 Eagles	—		—	

UK MONEY MARKET

Moderate help

Bank of England Minimum Lending Rate 17 per cent (since November 15, 1979)

Money remained in short supply in the London money market yesterday, although trading was influenced by monthly make-up day for the banks, with discount houses picking up funds at 15 per cent while overnight rates in the interbank market rose to 50 per cent.

With day-to-day credit in short supply the authorities gave moderate assistance by buying a small amount of Treasury bills from the discount houses and banks, and by lending a moderate amount to eight or nine houses, overnight at Minimum Lending Rate.

Banks brought forward small run down balances, repayment was made of the very large amount lent to the market by the authorities on Tuesday, and there was a net take-up of Treasury bills to finance. On the other hand Government disbursements exceeded revenue payments to the Exchequer.

Discount houses paid around 16 per cent for secured call loans in the early part, with money found at 15-17 per cent during the day.

In the interbank market overnight loans opened at 15-15½ per cent and touched 16½-17 per cent in the morning, before falling to 15-15½ per cent at lunch, but closing around 50 per cent.

Rates in the table below are nominal in some cases.

LONDON MONEY RATES

April 16 1980	Sterling Certificate of deposit	Interbank	Local Authority deposits	Local Auth. negotiable bonds	Finance House Deposits	Company Deposits	Discount market deposits	Treasury Bills ♦	Eligible Bank Bills ♦	Fine Trade Bills ♦
Over night	—	15-50	—	—	—	17-17¾	15-17	—	—	—
2 days notice	—	—	17⅜	—	—	—	—	—	—	—
7 days or	—	—	—	—	—	—	—	—	—	—
7 days notice	—	16¾-17½	17⅜-17¾	—	17⅛	17¼-17⅞	16½-16¾	—	—	—
One month	17⅝-17¾	17⅝-17⅞	17⅝-17¾	18⅞-18½	17⅞	17¼-17⅞	16¾	16¾-16	17 1/16-17⅝	18
Two months	17⅝-17⅞	17⅝-17⅞	—	18⅝-18⅛	17⅞	—	16⅝-16¾	16⅜	17⅛-17¼	17¾
Three months	17½-17⅝	17⅝-17⅞	17⅝-17¾	18-17⅝	17⅞	17¼-17⅞	16⅝	16¼-16⅜	16½-16⅜	17⅝
Six months	16⅞-15½	16⅝-16⅞	16½-16¾	16⅞-16½	16⅞	17⅛	—	—	16½-16¾	16¼
Nine months	16⅛-15⅞	16-16¼	—	16¾-16⅝	16⅛	—	—	—	—	—
One Year	16⅜-15¾	15⅞-16⅛	16-16⅛	16¼-16	15¼	15⅞	—	—	—	—
Two years	—	—	15¾-16	—	—	—	—	—	—	—

Local authorities and finance houses seven days' notice, others seven days' fixed. *Long-term local authority mortgage rates nominally three years 15⅝-15¾ per cent; four years 14¾-15¼ per cent; five years 14¾-15 per cent. ♦ Bank bill rates in table are buying rates for prime paper. Buying rates for four-month bank bills 16⅞-16²⁹⁄₃₂ per cent; four-month trade bills 17¼ per cent.

Approximate selling rates for one-month Treasury bills 15⅞-15¹⁵⁄₁₆ per cent; two-months 15⅞₂ per cent; three-months 16¼-16⅝₂ per cent. Approximate selling rates for one-month bank bills 17⅜-17⅜ per cent; two-months 17¼-17⅜ per cent; three-months 16¾-16¹¹⁄₁₆ per cent; one-month trade bills 17¾ percent; two-months 17⅞ per cent and three-months 17⅝ per cent.

Finance Houses Base Rates (published by the Finance Houses Association) 18 per cent from April 1, 1980. Clearing Bank Deposit Rates for sums at seven days' notice 15 per cent. Clearing Bank Rates for lending 17 per cent. Treasury Bills: Average tender rates of discount 16.1803 per cent.

EUROPEAN OPTIONS EXCHANGE

Series		April Vol.	April Last	July Vol.	July Last	Oct. Vol.	Oct. Last	Stock
ABN C	F.280	—	—	3	17	—	—	F.295.50
ABN C	F.290	5	8	—	—	—	—	"
ABN C	F.300	6	0.90	7	5.50	12	8.50	"
ABN C	F.310	—	—	2	2.50	—	—	"
ABN C	F.380	—	—	2	0.50	—	—	"
AKZ C	F.22.50	51	0.60	20	2	—	—	F.23.10
AKZ C	F.25	—	—	24	1	5	1.60	"
AKZ C	F.27.50	—	—	—	—	11	1	"
AKZ P	F.22.50	—	—	3	1.20	—	—	"
AKZ P	F.25	1	2.40	5	3	—	—	"
AKZ P	F.27.30	2	7.20	—	—	—	—	"
ARB C	F.60	—	—	1	6.20	—	—	F.62
ARB C	F.65	40	0.20	6	2.50	—	—	"
ARB C	F.70	—	—	1	0.90	—	—	"
CSF C	F.440	8	33	—	—	—	—	F.466
EK C	$50	—	—	5	3⅝	—	—	$49¼
FNC C	$20	—	—	10	1¼	—	—	$19
HEI C	F.65	11	13	—	—	—	—	F.79
HEI C	F.70	30	9.20	1	9.80	3	8.50	"
HEI C	F.75	38	3.90	32	6.20	7	7	"
HEI P	F.60	—	—	16	0.80	—	—	"
HEI P	F.65	—	—	4	1.50	—	—	"
HEI P	F.70	—	—	5	3.50	—	—	"
HEI P	F.75	20	0.50	—	—	8	5	"
HO C	F.17.50	—	—	—	—	2	4	F.19.20
HO C	F.20	—	—	40	1.70	1	2.50	"
HO C	F.22.50	—	—	5	0.70	—	—	"
KLM C	F.60	50	4	1	6.50	20	8.30	F.63.80
KLM C	F.70	16	0.10	23	3.60	40	4.30	"
KLM C	F.80	—	—	—	—	24	1.30	"
KLM P	F.60	85	0.10	5	4	—	—	"
KLM P	F.70	16	6.30	5	8.40	—	—	"
KLM P	F.80	—	—	3	16.30	—	—	"
NN C	F.110	15	1.30	120	6	—	—	F.109.70
NN C	F.115	—	—	18	3.10	—	—	"
NN C	F.120	—	—	36	1.80	—	—	"
PET C	Fr.5000	4	100	—	—	—	—	Fr.5080
PET C	Fr.6000	—	—	1	70	—	—	"
PHI C	F.17.50	3	1.40	—	—	44	2.20	F.18.90
PHI C	F.20	—	—	14	0.70	43	1	"
PHI C	F.22.50	—	—	—	—	35	0.60	"
PHI P	F.17.50	—	—	15	1	10	1.10	"
PHI P	F.20	16	1.20	10	1.80	—	—	"
RD C	F.140	10	15.30	—	—	—	—	F.156.20
RD C	F.145	23	11.20	—	—	—	—	"
RD C	F.150	240	6.30	101	10	30	12	"
RD C	F.160	351	0.40	95	5.10	15	7	"
RD C	F.170	—	—	69	1.80	31	3.70	"
RD P	F.140	—	—	—	—	19	4.50	"
RD P	F.150	5	0.10	6	7	—	—	"
RD P	F.160	59	4	5	11	—	—	"
RD P	F.170	2	14.70	—	—	—	—	"
T C	$55	—	—	3	⅝	—	—	$49⅞
UNI C	F.110	130	2.80	10	6.50	—	—	F.113.50
UNI C	F.115	128	0.40	63	3.30	—	—	"
UNI P	F.110	13	0.40	2	5.50	—	—	"
		May		**Aug.**		**Nov.**		
BAS C	DM.140	—	—	50	6.50	—	—	DM 138.70
SLB C	$110	15	3¼	—	—	—	—	$105⅞
SLB C	$120	—	—	3	4¼	1	8¼	"

TOTAL VOLUME IN CONTRACTS 2600

C=Call P=Put

BASE LENDING RATES

A.B.N. Bank	17 %	■ Hambros Bank	17 %
Allied Irish Bank	17 %	■ Hill Samuel	§17 %
Amro Bank	17 %	C. Hoare & Co.	†17 %
American Express Bk.	17 %	Hongkong & Shanghai	17 %
Henry Ansbacher	17 %	Industrial Bk. of Scot.	17½ %
A P Bank Ltd.	17 %	Keyser Ullmann	17 %
■ Arbuthnot Latham	17 %	Knowsley & Co. Ltd.	19 %
Associates Cap. Corp.	17 %	Langris Trust Ltd.	17 %
Banco de Bilbao	17 %	Lloyds Bank	17 %
Bank of Credit & Cmce.	17 %	Edward Manson & Co.	18 %
Bank of Cyprus	17 %	Midland Bank	17 %
Bank of N.S.W.	17 %	■ Samuel Montagu	17 %
Banque Belge Ltd.	17 %	■ Morgan Grenfell	17 %
Banque du Rhone et de la Tamise S.A.	17½ %	National Westminster	17 %
Barclays Bank	17 %	Norwich General Trust	17 %
Bremar Holdings Ltd.	18 %	P. S. Refson & Co.	17 %
Brit. Bank of Mid. East	17 %	Rossminster	17 %
■ Brown Shipley	17 %	Ryl. Bk. Canada (Ldn.)	17 %
Canada Perm't Trust	18 %	Schlesinger Limited	17 %
Cayzer Ltd.	17 %	E. S. Schwab	17 %
Cedar Holdings	17 %	Security Trust Co. Ltd.	18 %
■ Charterhouse Japhet	17 %	Standard Chartered	17 %
Choulartons	17 %	Trade Dev. Bank	17 %
C. E. Coates	17 %	Trustee Savings Bank	17 %
Consolidated Credits	17 %	Twentieth Century Bk.	17 %
Co-operative Bank	*17 %	United Bank of Kuwait	17 %
Corinthian Secs.	17 %	Whiteaway Laidlaw	17½ %
The Cyprus Popular Bk.	17 %	Williams & Glyn's	17 %
Duncan Lawrie	17 %	Wintrust Secs Ltd.	17 %
Eagil Trust	17 %	Yorkshire Bank	17 %
E. T. Trust Limited	17 %		
First Nat. Fin. Corp.	19½ %		
First Nat. Secs. Ltd.	19 %		
Robert Fraser	18 %		
■ Antony Gibbs	17 %		
Greyhound Guaranty	17 %		
Grindlays Bank	‡17 %		
■ Guinness Mahon	17 %		

■ Members of the Accepting Houses Committee.

* 7-day deposits 15%, 1-month deposits 15¼%.

† 7-day deposits on sums of £10,000 and under 15%, up to £25,000 15¼% and over £25,000 15½%.

‡ Call deposits over £1,000 15%.

§ Demand deposits 15%.

WORLD STOCK MARKETS

Wall St. up in early trading

A CUT in the prime rate to 19¾ per cent from 20 per cent by Chase Manhattan Bank pushed the stock market broadly higher in active early trading.

Analysts said the rate change was encouraging but many expect the prime to move higher again over the next few weeks before beginning a long-term decline.

The Dow Jones Industrial Average improved 3.50 to 786.86 at mid-day. Advances led declines three-to-one on volume of 20m shares (13m).

Chase Manhattan, in announcing its rate cut, said: "The direction of future movements in the prime rate over the near term remains uncertain."

Responding to the cut, interest rate-sensitive stocks led the advance. Volume leader Federal National Mortgage rose 1⅛ to 13⅞. Among the Actives, American Telephone gained ⅜ to 50⅞, Florida Power and Light ⅝ to 25⅞, Texas Utilities ⅜ to 17⅝. Southern California Edison ½ to 24⅞ and Commonwealth Edison ½ to 20½.

Ethyl reported sharply higher March quarter net and rose ⅞ to 23½. Borden reported improved first period profit and raised the dividend. It gained ⅜ to 20⅜. However, Honeywell reported lower first quarter results and dropped 2 to 68½.

Macke Company climbed 1¼ to 9½. Allegheny Beverage said it may raise its Macke stake to about 22 per cent from less than 5 per cent currently. Kaufman and Broad added ⅜ to 8¼. Companies in Canada controlled by the Belzberg Brothers bought a 6.7 per cent in Kaman and Broad.

Oils were mixed. Volume leader Delhi International lost 1⅞ to 36⅛ but Gulf Canada rose 1 to 124½. National Kinney rose ½ to 3⅝. It expects a $25m gain from the sale of maintenance operations.

Closing prices for North America were not available for this edition.

THE AMERICAN S.E. Market Exchange gained 0.74 to 244.30 at mid-day. Volume 1.6m shares (1.8m).

Canada

Markets remained lower in fairly active trading. The Toronto Composite Index slipped 1.9 to 1,849.3 and losses outnumbered gains 171 to 135. Volume 1.7m shares (1.5m).

Among companies reporting higher first quarter earnings, Texasgulf rose 1 to 40½ and Giant Yellowknife ½ to 17.

Oil and Gas stocks were lower as Hudson's Bay Oil fell 2 to 116, Imperial Oil "A" 1¾ to 41¼, Shell Canada ⅝ to 33 and Husky Oil ¼ to 86½.

Golds were higher as Dome Mines rose 1 to 69 while Camflo Mines at 18¼ and Dickenson Mines at 17⅜ each added ¼. Although it reported higher earnings, Inco lost ½ to 26½.

Tokyo

Share prices closed lower in moderate trading, after opening one hour later than normal because of the railway strike.

The market was led by resources-related shares, big capitals and Machine Tools.

The Nikkei Dow Jones average fell 35.41 to 6,770.34. Volume 350m shares. The Tokyo Stock Exchange index closed at 461.29, down 1.35.

Nippon Oil, Teikoku Oil, Sumitomo Metal Industries, and Hitachi Seiki lost ground on liquidations and other selling. This followed a deterioration in margin trading positions with an increased outstanding balance of buying orders.

Coals firmed on speculation that there may be increasing demand. Mitsui Mining gained Y22 to Y810 and Matsushima Kosan rose Y56 to Y779. In Defence Industry sticks, Fuji Heavy Industries, Daikin Kogyo and Daido Steel were also selected.

Trading volume on the second section came to 5.5m shares (6.5m). The second section stock index declined 2.38 points to 705.97.

Hong Kong

Stocks closed slightly firmer with the Hang Seng Index gaining 6.57 to close at 798.27. Interest focussed on shares which had recently announced final results.

Underlying market sentiment remained depressed by high interest rates locally, despite indications of a weekend reduction in U.S. primes.

Jardine Matheson gained 20 cents to close at HK$ 15.10. This followed good results, bonus issue and a promising forecast for the company. Cheung Kong gained 50 to HK$ 23.00 following the announcement of its results.

Hongkong Land gained 40 cents on an adjusted basis, having gone ex dividend and bonus and rights issues, to close at HK$ 9.60 declining HK$ 1.30.

Hongkong Bank gained 20 to HK$ 13.40, Hutchison Whampoa 10 to HK$ 7.60 and Wheelock "A" 5 to HK$ 3.85. Swire Pacific "A" at 6.90, Hongkong Wharf at HK$ 62.50 and Hongkong Electric HK$ 5.30 were unchanged.

Germany

Most leading shares closed sharply higher compared with yesterday, after opening lower, with Schering gaining DM 11.50 to DM 190.50 in the Pharmaceutical sector.

Metal prices firmed sharply, with Metallgesellschaft rising DM 5 to DM 265, and Preussag gaining DM 6.5 to DM 193.50 in raw materials. Karstadt rose DM 4 to DM 222 and Kaufhof DM 1 to DM 179. Horten, DM 130, was unchanged in Stores, while Neckermann rose DM 4.50 to lead.

Motors advanced with Daimler being quoted DM 2.50 up at DM 246. Chemicals firmed slightly, and GHH rose DM 2 in Engineerings.

Bayerische Vereinsbank led Banks with a gain of DM 3 to DM 262.50 followed by Deutsche Bank's rise of DM 2.50 to DM 243.

In Options, prices firmed in fairly active turnover, with interest centred on Chrysler call options as well as Veba and Hoechst put options.

Trading was quiet on the domestic bond market with losses of up to 80 pfennigs and the Bundesbank bought a nominal DM 20.2m-worth of paper, after buying DM 24.6m on Tuesday.

Australia

Share prices were mixed on the Sydney Market, unsteady commodity prices and rising interest-rates keeping mining and industrials under pressure.

Central Norseman led golds higher with a 20 cent rise to A$6. Among Oils, Vangas rose 10 to A$3.70 on its Cooper Basin oil discovery, but its major partner, Santos, shed 10 cents to A$7.20. Hartogen Energy advanced 5 to A$3.05, while Bridge Oil firmed 10 to A$2.85.

Pan Continental Mining, however, lost 30 cents to A$5.10 on adverse market reaction to its plans to enter the oil exploration field and Peko-Wallsend retreated 25 cents to A$6.86 after a firm start.

Paris

Share prices tended mixed in quiet trading with no new market factors in evidence.

Banks and Insurances, Foods, Constructions, Engineering and Oils were all mixed.

Pechiney Ugine Kuhlmann jumped FFr 4.5 to FFr 105 after reporting a more than threefold increase in group 1979 net net profits.

Metals were firm with Usinor unchanged at FFr 13 after announcing a FFr 933m loss in an exceptional eight-month period to end 1979.

Properties, Investments and Hotels were also stronger but all other sectors weakened.

In foreign stocks Germans and Dutch firmed along with Gold Mines and Canadians, whereas Oils weakened and U.S. and Coppers tended mixed.

NEW YORK

CANADA

BELGIUM (continued)

HOLLAND

AUSTRALIA

JAPAN (continued)

DENMARK

FRANCE

ITALY

NORWAY

SWEDEN

GERMANY

AUSTRIA

SWITZERLAND

BELGIUM/LUXEMBOURG

HONG KONG

JAPAN

SINGAPORE

SOUTH AFRICA

BRAZIL

Indices

NEW YORK — DOW JONES

STANDARD AND POORS

N.Y.S.E. ALL COMMON

MONTREAL

NEW YORK ACTIVE STOCKS

Financial Rand US$0.91½ (Discount of 26%)

Spanish prices, Page 27

Boost for EEC sugar exports

By Our Commodities Staff

THE EEC Commission granted export rebates on 89,350 tonnes of white sugar—by far the highest total this season—at yesterday's weekly export tender in Brussels, in spite of offering lower rebates than last week when no sales were authorised.

This ends a run of three tenders at which export sales were negligible, totalling only 1,500 tonnes.

A sharp rise in world sugar prices since last week's tender has narrowed the gap between world and EEC prices, enabling exporters to bid for lower rebates than of late—the bulk of yesterday's sales was reported to have been at rebates below the 7.07 European currency units (ECUs) maximum.

The London daily sugar price was fixed at £240 a tonne yesetrday, £10 up on the day and £16 above the level ruling last Wednesday.

Yesterday's high allotment still leaves recent sales well below reported target levels, however. The Commission was rumoured to be aiming at exports averaging about 60,000 tonnes a week in order to clear the Community surplus before the selling season, which has already been extended by one month, ends in July. But it has now shifted only 90,850 tonnes in four weeks.

The recent rise in sugar prices has been due mainly to reports of heavy Russian buying.

Salmon protocol signed

By David Satter in Moscow

THE SOVIET Union and Japan yesterday signed a protocol governing Japanese salmon fishing rights in the North West Pacific this year which provides for a Japanese catch of 42,500 tonnes, the same as last year.

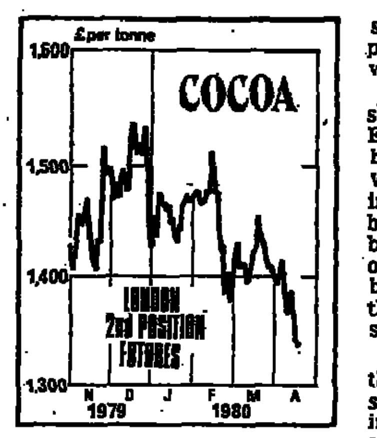
The protocol was signed by Mr. Vladimir Kamentsev, the Soviet Fisheries Minister, and Mr. Tokichiro Yomoto, the Japanese ambassador, following two weeks of Soviet-Japanese talks.

The Japanese are said to be satisfied with the agreement which calls for payment by Japan of Y3,750m in goods for the Soviet fish breeding industry in exchange for the fishing rights. The Japanese had originally asked for a catch of 45,000 tonnes and the Soviets had offered 35,000 tonnes.

Decline in U.S. demand hits cocoa market

BY JOHN EDWARDS, COMMODITIES EDITOR

THE COCOA market received another setback yesterday when it was announced that U.S. cocoabean grindings during the first quarter of 1980 had fallen by 17.5 per cent compared with a year ago.



U.S. Chocolate Manufacturers Association said grindings during January-March this year fell to 36,903 short tons against 44,722 tons in the first quarter of 1979. For the first time details were given of imports of cocoa liquor (15,093 tons); cake and powder (10,818 tons) and cocoa butter (8,945 tons).

The fall in U.S. grindings was considerably more than traders had anticipated. It was generally thought they would be down by about 5 per cent and the most pessimistic prediction was 10 per cent. However, reaction was limited, according to dealers, by the fact that the market is somewhat oversold.

The July position on the futures market dropped to £1,329 at one stage before rallying to close at £1,337 a tonne, only £3.5 down on the previous close. Nevertheless this is the lowest level since last July and reflects the general depression in the market.

Main cause of the slide in prices has been the apparent surplus of production over demand for the third year in succession, and the failure of producers to lift the market by withholding supplies.

There were rumours of cocoa shipments on their way to Europe, which have not yet been sold. Additionally, there were reports from Brazil claiming confirmation that quotas on beans and cocoa products had been lifted. Although no official announcement has yet been made, traders said that there had been substantial sales overnight in New York.

It is thought unlikely that the Cocoa Producers Alliance special meeting from May 19-21 in Brazil will be able to reach agreement on the plan to create its own buffer stock support fund. Instead it is felt producing countries, who have held off selling, will be forced to dispose of built up surpluses and might well try to do so before the Brazil meeting.

Meanwhile it was announced in Accra yesterday that a British consultant company, Peat Marwick and Mitchell, had been commissioned to review the operations of the Ghana Cocoa Marketing Board.

Argentine grain deal with USSR

BUENOS AIRES — Argentina and the Soviet Union have agreed to work out a medium-term agreement covering the supply or Argentine grains and announcement said.

oilseeds, a trade department

The agreement will cover maize, which is traditionally sold to the USSR, and sorghum and soyabeans which will be new to the Soviets.

A statement, issued after a week of talks between a Soviet economic and technical mission and Argentine officials, added that wheat will continue to be supplied to the USSR in traditional quantities.

It added that in the first quarter of this year the Soviet Union bought 24,000 tonnes of Argentine meat and it was agreed it would give priority to Argentina in future purchases, taking into account the competitiveness of Argentine supplies.

Grain market sources noted so far this year Argentina—the only country among the four largest grain exporters to refuse to suppose the U.S. R 5 to support the U.S. grain embargo of the Soviet Union—has sold 2m tonnes of maize, 2m tonnes of wheat and 500,000 tonnes each of soyabeans and sorghum to the USSR.

Meanwhile in Washington the U.S. National Association of Wheat Growers described the Carter Administration's efforts to offset the effects of the embargo on grain shipments to the USSR as a "disgusting failure."

Jack Felgenhauer, president of the association, said wheat prices are now more than 40 cents per bushel below the pre-embargo level.

"Wheat producers are now faced with declining prices, soaring production costs and the prospect of further price drops during the 1980 season," he said.

In Canberra, the Bureau of Agricultural Economics estimated that the 1979-80 Australian wheat crop now harvested produced 16.1m tonnes compared to the previous year's record 18.3m tonnes.

The bureau revised upwards its forecast for Australian wheat exports in the 1979/80 fiscal year, July/June, to a record 15m tonnes.

However the U.S. Agriculture Department attache in Canberra forecast the Australian winter wheat crop could be less than 12m tonnes compared to an earlier projection of over 15.0m unless there is substantial rainfall in the next two monhts.

Pasture conditions are extremly poor and the stock water situation is becoming critical in some areas, he noted. The price of hay has risen from A$1 per bale to A$5 per bale, when it is available.

Repter

EEC to lift levy on UK food imports

By Richard Mooney

THE 2.1 per cent tax on British food imports imposed two weeks ago is almost certain to be removed next week, a Ministry of Agriculture spokesman confirmed yesterday.

He said the disappearance of the tax followed automatically from the recent fall in the value of the pound, just as the original imposition of the import levy had resulted from sterling's previous strength.

The EEC Commission is expected to announce today that the levy will be lifted from next Monday.

Sterling's rise had taken it above the fixed Green Pound rate which is used to translate "common" EEC farm prices into domestic currency. This led to the imposition of positive monetary compensatory amounts (MCAs) on UK farm trade which meant that imports were taxed and exports subsidised so as to keep import and export prices steady.

At the last meeting of the Council of EEC Agriculture Ministers Britain's Mr. Peter Walker had sought larger positive MCAs through the elimination of the 1.5 per cent "franchise" band in which disparities between "green" and real currency rates are ignored. This band operates outside a 1 per cent band either side of parity which is ignored for administrative reasons. But Mr. Walker's plea, which would have resulted in a 3.6 per cent tax instead of 2.1 per cent, was turned down by the Council.

Nickel stocks fall to 80m lbs

STOCKS OF NICKEL held by Interntional Nickel at the end of March this year fell to 80m lbs compared with 89m lbs at the end of last year and 146m lbs in March 1979.

However the company's deliveries on nickel during the first quarter of 1980 at 113m lbs were below those of a year ago (124m lbs) although higher than the 91m lbs sold in the last quarter of 1979.

At the annual meeting of Falconbridge Nickel Mines in Toronto, President Marsh Cooper forecast a drop of about 5 per cent in nickel consumption in 1980, reports Reuter.

COMMODITY AGREEMENTS

Changes sought in new tin pact

BY BRIJ KHINDARIA IN GENEVA

TIN PRODUCING countries said in Geneva they were willing to renew the 24-year-old International Tin Agreement for the sixth time when it expires on June 30, 1981, only if it is changed signi,cantly.

At the start of month-long negotiations to renew the accord, Mr. Abdul Fatah bin Zakaria of Malaysia, speaking for all tin producing countries stressed "the importance and sanctity" of the agreement's existing economic mechanisms, such as the buffer stock system, export controls, and price range provisions.

The Tin Agreement, the only world commodity pact for mineral resources, needs important changes in provisions concerning the disposal of non-commercial or strategic stockpiles, the size of the price range supported through buffer stock operations, and voting methods used to take decisions, Mr. Zakaria said.

The negotiations opened cautiously this week but they are not expected to develop into a classic north-south confrontation between poor country exporters and rich country importers.

The recent collapse of the International Cocoa Agreement, which had many similarities with the tim accord, has cast a shadow on the tin negotiations. Mr. Peter Lai of Malaysia, executive chairman of the International Tin Council which oversees the tin agreement, cautioned delegations against going too far in seeking changes.

A clash is expected between the U.S. and Malaysia over disposal of strategic stockpiles and export controls.

Article 43 of the current agreement requires prior clearance by the Tin Council of sales by the U.S. from its large strategic stockpiles to prevent downward pressure on world prices.

TIN PRICES moved higher again on the London Metal Exchange yesterday. Cash tin closed £65 up at £7,815 a tonne after having jumped by £155 on Tuesday. The rise was part of a general increase in metals following news of a cut in U.S. interest rates. Although this brought a sharp fall in the value of the dollar, coper cash wirebars gained £24.5 to £965.5 a tonne and lead and zinc prices also rose.

Worried by several new draft laws presented to U.S. Congress during the last three years concerning the disposal of such stockpiles, the Tin Council created a special working party in April 1978 to closely monitor the proposals.

Malaysia, together with other tin producers, is keen to ensure that Congress does not enact the Tin Agreement.

The U.S. is, in turn, trying to persuade the producing countries to give up or substantially change their system of export controls used to boost world tin prices in times of excess production.

Another important issue is the way in which buffer stocks are held and financed. So far, producing countries have been obliged to hold stocks of at least 20,000 tonnes at their own cost, although some consumers financial contributions. The producers now want that the costs of holding stocks should be shared equally by both groups.

In contrast with other international commodity agreement being negotiated under auspices of the United Nations Conference on Trade and Development (Unctad), tin producers do not want the price range supported by buffer stock operations to be discussed as part of the renewal negotiations. This task has traditionally been entrusted to the Tin Council. legislation which will damage

But producers are dissatisfied with the past system where decisions on price ranges were pushed through the council by a majority voting procedure. Since there are only seven producers in the council compared with 29 consumers, the producers feel the voting procedure is unfair.

Japan, whose industries depend heavily on imported tin, is the only major consumer to suport the producers' demand that contributions to the tin buffer stock should be compulsory and shared equally among producers and consumers. But Japanese positions differ from those of producers on several other less important points.

Australian wool exports forecast lower

CANBERRA—The Bureau of Agricultural Economics (BAE) has lowered its fourth forecast of Australian wool exports in the 1979-80 season to June 30 to 671m kilos greasy equivalent from its third forecast of 708m.

This compares with 1978-79 exports of 708m kilos, the BAE said in its fourth 1979-80 quarterly "Trends in Australian Agricultural Commodities" prepared in March.

The BAE said exports are expected to drop in the current season because the total availability of Australian wool in 1979-80 is some 8 per cent below the 1978-79 level.

The BAE raised its forecast for live sheep exports in 1979-80 to 5.30m head from its December estimate of 5.20m and compared to 5.03m in 1978-79.

Turning to the market outlook, the BAE said Australian wool prices are expected to average around 390 cents a kilo clean, reflecting a moderate decline from the 414 cents seen earlier this month.

In the first nine months of the current season, prices averaged 391 cents with the out-turn for the year put at 390 cents a kilo clean, equivalent to 240 cents a kilo greasy and 17 per cent above the 1978-79 level.

The BAE said the high and generally rising levels of wool prices in the current season stemmed from two factors. The first is improved demand, particularly from Japan, Italy and the Soviet Union and the second is the effect of speculative forces related to stock levels, currency movements and the generally buoyant commodity prices seen up to January, 1980.

However, these will be offset by a recent easing of the speculative forces, rising interest rates and economic measures in other countries leading to declining growth.

Reuter

BRITISH COMMODITY MARKETS

BASE METALS

COPPER—Firmer on the London Metal Exchange but well below the day's highest levels. Forward metal opened at £977 and eased to £973 on the pre-market following rumours of a settlement at the Olen Refinery and talk that Cities Services had settled their labour contract. The market then rallied to £979 before ending the morning Kerb at £974. In the afternoon three months rose to £989 owing to lower interest rates in the U.S. and the strengths of Comex, but subsequently fell away to close the late Kerb at £976 as sterling moved up against the dollar. Turnover: 25,075 tonnes.

COPPER	a.m. Official	+ or —	p.m. Unofficial	+ or —
	£	£	£	£
Wirebars				
Cash	945-50	+15.5	965-6	+24.5
3 months	971-2	+7	986-7	+17.2
Settlem't	950	+14	—	......
Cathodes				
Cash	922-4	+14.2	932-5	+21
3 months	950-5	+12	960-5	+17.5
Settlem't	924	+15	—	......
U.S. Prod.	—	......	*91.8	......

Amalgamated Metal Trading reported that in the morning cash wirebars traded at £979, 80, 79.5, 79, 77.5, 77, 76, 75, 72. Cathodes, cash £918, 22. Kerb: Wirebars, three months £973, 74, 75, 74. Afternoon: Wirebars, late April £969, three months £978, 79, 79.5, 80, 81.5, 82, 85, 86, 87, 89, 87, 88, 87. Kerb: Wirebars, three months £979, 77, 78, 75, 73, 71 73, 74, 75, 76, 75, 74, 76, 76, 77.

TIN—Gained ground. The rise at Penang pushed forward metal up from £7,760 to £7,820 on the pre-market. However, trade selling and offerings of cash material caused a setback on the Rings and Kerb with forward metal falling to £7,785 and the backwardation narrowing to £10. In the afternoon, forward metal eased to close the late Kerb at £7,790, reflecting the rise in sterling. Turnover: 930 tonnes.

TIN	a.m. Official	+ or —	p.m. Unofficial	+ or —
High Grade	£	£	£	£
Cash	7805-10	+67.5	7820-40	+65
3 months	7785-95	+80	7820-35	+85
Settlem't	7810	+85	—	......
Standard				
Cash	7795-800	+82.5	7810-20	+65
3 months	7785-95	+75	7810-5	+85
Settlem't	7800	+80	—	......
Straits E.	‡$2323	+21		......
New York	—	......		......

Morning: Standard, cash £7,850, 40, 10, 7,800, 7,795, 7,800, three months £7,800, 7,790, 80, 90. High Grade, cash £7,850. Kerb: Standard, three months £7,790, 7,800, 7,790. Afternoon: Standard, cash ££7,820, three months £7,800, 10, 15, 10. Kerb: Standard, three months £7,800.

LEAD—Moved ahead, reflecting the rise in copper. Forward metal opened higher at £443.5 and rose to touch £445 at the start of afternoon trading before easing to close the late Kerb at £439. Turnover: 14,860 tonnes.

LEAD	a.m. Official	+ or —	p.m. Unofficial	+ or —
	£	£	£	£
Cash	454-5	+6	460-2	+19
3 months	439.40	+15	444-.5	+12?
S'ment	455	+6	—	......
U.S. Spot	—	......	*48	......

Morning: Cash £455, 54, three months £442, 41, 39, 37, 38, 40. Kerb: Three months £440, 41, 42, 43. Afternoon: Three months £443, 45, 44. Kerb: Three months £440, 41, 42.

ZINC—Moved narrowly with the strength of other base-metals sustaining forward metal which opened higher at £336.5 and dipped to £333 before closing the late Kerb at £334.5. Turnover: 10,225 tonnes.

ZINC	a.m. Official	+ or —	p.m. Unofficial	+ or —
	£	£	£	£
Cash	328-30	—4	330-1	+6.5
3 months	332-3	—.5	333-4	+3
S'ment	330	—4	—	......
Primw'ts	—	......	*37.5	—9.5

Morning: Cash £330, three months £334, 33, 32. Kerb: Three months £333. Afternoon: Cash £330, three months £334, 35. Kerb: Three months £333.

ALUMINIUM—Higher. Forward metal opened around £855 and moved up to £863 before coming under pressure from the firmness of sterling and closing the late Kerb at £852. Turnover: 5,450 tonnes.

Alumin'm	a.m. Official	† + or —	p.m. Unoffic'l	† + or —
	£	£	£	£
Spot	897-9	......	893-7	—5.5
3 months	851-2	+10	858-9	+3.5

Morning: Cash £898, 95, 97, three months £859, 59.5, 60, 61, 62, 60, 61. Kerb: Three months £860. Afternoon: Three months £863, 62, 61, 59, 58. Kerb: Three months £856, 55, 54, 53, 52, 51, 52.

NICKEL—Drifted in idle trading with forward metal finally quoted on the late Kerb at £2,930. Turnover: 702 tonnes.

NICKEL	a.m. Official	+ or —	p.m. Unoffici'l	+ or —
Spot	2840-50	+20	2825-35	—15
3 months	2945-50	+10	2940-5	—15

Morning: Cash £2,830, 40, 50, 45, three months £2,945, 50. Afternoon: Three months £2,950, 45, 40. Kerb: Three months £2,940.

* Cents per pound. ‡ $M per picul. † On previous unofficial close.

SILVER

Silver was fixed 8.35p an ounce higher for spot delivery in the London bullion market yesterday at £6.7045. U.S. equivalents of the fixing levels were: spot $14.75, up 19.9c; three-month $15.27, up 7.5c; six-month $15.98, up 19.9c; and 12-month $16.933, up 17.5c. The metal opened at £6.6-6.95 ($14½-15¼) and closed at £6.75-7.10 ($15-15¾).

SILVER per troy oz.	Bullion fixing price	+ or —	L.M.E. p.m. Unoffici'l	+ or —
Spot	670.45p	+8.35	677.5p	+66.5
3 months	692.85p	+3.45	704.0p	+35
6 months	723.90p	+8.3	—	......
12months	768.90p	+8.4	—	......

LME—Turnover 151 (113) lots of 10,000 ozs. Morning: three months 698, 90, 90.5, 87, 85, 87, 88. Afternoon: cash 675, three months 716, 18, 20, 700, 703, 05, 04, 05. Kerbs: three months 70, 65.

COCOA

Cocoa futures traded within a narrow range and closed marginally lower than Tuesday evening whilst physicals, although still unattractive to producers, traded actively both for cocoa beans and products reports Gill and Duffus.

COCOA	Yest'rdays Close	+ or —	Business Done
May	1320-21	—5.5	1323-1310
July	1336-38	—3.5	1344-1329
Sep	1362-63	—4.0	1467-1355
Dec	1408-09	—6.0	1413-1403
March	1429-34	—4.5	1436-1427
May	1445-53	—5.5	1455-1445
July	1467-75	—4.5	1475

Sales: 2,403 (2,884) lots of 10 tonnes.

COFFEE

COFFEE	Yesterd'ys Close	+ or —	Business Done
	£ per tonne		
May	1647-49	+3.5	1653-39
July	1691-92	—	1694.83
Sept	1722-23	+1.0	1725-15
Nov	1735-38	+3.5	1737-25
January	1725-30	+2.0	—
March	1690-10	—5.5	1690
May	1680-10	—1.0	—

Sales: 4,906 (2,339) lots of 5 tonnes. ICS Indicator prices for April 15 (U.S. cents per pound): Other Mild Arabicas 183.00 (183.67). Robustas ICA 1976 165.50 (same) ICA 1968 163.75 (same). Unwashed Arabicas 211.00 (210.50). Comp. daily ICA 1968 187.83 (187.78).

GRAINS

LONDON GRAIN FUTURES — The market opened unchanged to 5p higher on old crops. After a slow start values increased on steady commercial buying interest to close 55p higher on wheat and 45p higher on barley. New crops opened unchanged to 10p lower on barley and commercial selling pressure eased values in reasonable volume to register losses of 15p-25p on wheat and 15p-30p on barley, reports Acli.

	WHEAT		BARLEY	
M nth	Yesterday close	+ or —	Yesterday close	+ or —
May	94.75	+0.55	92.30	+0.45
Sept	93.00	—0.15	90.60	—0.25
Nov	96.80	—0.20	94.70	—0.50
Jan	100.70	—0.25	98.65	—0.25
Mar	104.10	—0.15	102.00	—0.15

Business done—Wheat: May 94.80-90.10, Sept. 93.15-92.95, Nov. 97.00-96.75, Jan. 100.70-100.70, Mar. 104.10-10410. Sales 337 lots of 100 tonnes. Barley: May 92.40-91.75, Sept. 90.85-90.60. Nov. 94.90-94.70. Jan. 98.85-98.70, Mar. 102.05-102.05. Sales 307 lots of 100 tonnes.

IMPORTED—Wheat: U.S. Dark Northern Spring No. 2 14 per cent, April 91.75, May 91.75, June 93.00, July 93.50 trans shipment East Coast. English feed fob April 98.50, May 99.00, East Coast. Maize: French April 117, May 117.50 East Coast. South African yellow April-May 78.50. Barley: English Feed fob May 98.50, June 99.50 East Coast. Rest unquoted.

HGCA—Locational ex-farm spot prices. Other milling wheat: Eastern 97.50, E. Midlands 95.20, N. East 95.50. Feed barley: Eastern 94.00, E. Midlands 92.70, N. East 93.20, Scotland 90.60.

RUBBER

The London physical market opened slightly steadier, with little physical interest throughout the day, closing on a quiet note. Lewis and Peat reported a Malaysian godown price of 329 (327) cents a kg (buyer, May).

No. 1 R.S.S.	Yest'rdays Close	Previous Close	Business Done
May	67.50-67.90	67.80-67.50	67.50
June	69.10-69.50	68.90-69.00	69.10-68.80
Jly-Sept	72.00-72.60	71.50-71.80	72.20-71.20
Oct-Dec	75.90-76.00	75.40-75.60	76.00-75.10
Jan-Mar	78.70-78.80	78.50-78.40	78.80-78.80
Apr-Jne	81.60-81.70	81.50-81.40	81.60-81.50
Jly-Sept	84.40-84.60	84.30-84.40	84.10-83.80
Oct-Dec	87.20-87.40	87.30-87.40	87.00-86.80
Jan-Mar	90.00-90.10	90.30-90.40	89.90

Sales: 248 (350) at 15 tonnes, 27 (67) at 5 tonnes.

Physical closing prices (buyer) were: Spot 67.00p (66.50p), May 70.75p (same), June 71.75p (same).

WOOL FUTURES

LONDON NEW ZEALAND CROSSBREDS—Close (in order buyer, seller, business, sales). New Zealand cents per kilo. May 365, 373, nil, nil; Aug. 380, 386, 384, 1; Oct. 382, 386, nil, nil; Dec. 382, 388, nil, nil; Jan. 382, 392, nil, nil; March 390, 400, nil, nil; May 390, 408, nil, nil; Aug. 395, 418, nil, nil; Oct. 395, 418, nil, nil. Sales 1.

SYDNEY GREASY WOOL—Close (in order: buyer, seller, business, sales). Australian cents per pound. May 448.0, 451.0, 451.0-45.0, 63; July 463.0, 467.0-463.0, 285; Oct. no buyer, 466.0, 470.0-465.0, 86; Dec. 467.0, 470.0, 473.0-468.0, 101; March 475.5, 476.5, 476.0-475.0, 27; May 478.5, 478.5-477.0, 28; July 480.0, 481.0, 482.0-481.0, 14; Oct. 482.0, 484.0, 483.0-483.0, 9. Sales: 623.

SOYABEAN MEAL

The London market opened with gains of around £1.00 on commission house buying, reports T. G. Roddick. Short covering particularly in near-by positions gave the market a firm tone and prices finished with gains of up to £1.50.

	Yest'rday Close	+ or —	Business Done
	£ per tonne		
April	110.50-11.0	—1.25	110.50
June	109.10-09.2	+1.65	109.50-108.50
August	108.90-09.2	+1.10	108.60-109.00
October	106.10-06.3	+0.80	106.60-106.00
December	109.40-09.5	+0.40	109.80-109.40
February	111.50-12.4	+0.90	111.50
April	115.00-15.5	+0.75	—

Sales: 111 (50) lots of 100 tonnes.

SUGAR

LONDON DAILY PRICE (raw sugar): £240.00 (£230.00) a tonne cif for April-May-June shipment. White sugar daily price was £251.00 (£244.00).

Prices were confined within a £4 range throughout the day with closing levels near the low points, reports C. Czarnikow.

Sugar Pref. Comm. Con.	Yest'rdays Close	Previous Close	Business Done
	£ per tonne		
May	255.80-54.50	248.00-49.25	257.00-52.00
Aug	265.75-65.90	258.00-58.50	268.00-60.00
Oct	269.05-69.25	266.00-66.50	272.50-66.50

NUMBER 4 CONTRACT—Close (in order: buyer, seller only). May 255.00, 256.00; Aug. 265.00, 265.50; Oct. 270.50, 271.50; Jan. 274.00, 278.00; March 282.50, 283.00; May 282.50, 283.00; Aug. 281.50, 287.00. Sales: 418 (338).

Tate and Lyle ex-refinery price for granulated basis white sugar was £321.7 (same) a tonne for home trade and £324.50 (£315.00) for export.

International Sugar Agreement (U.S. cents per pound fob and stowed Caribbean port). Prices for April 15: Daily price 20.87 (21.08); 15-day average 19.42 (19.34).

COTTON

LIVERPOOL—Spot and shipment sales amounted to 292 tonnes bringing the total for the week so far to 673 tonnes. Fair trading continued despite the high cost of the raw material. Follow-on dealings were reported in certain African styles as well as N. Amreican qualities.

★

GRIMSBY FISH—Supply good, demand good. Prices at ship's side (unprocessed) per stone: Shelf cod £4.50-£5.00, codlings £2.20-£3.40. Medium haddock £5.00, small £3.00-£3.40. Large plaice £3.00-£3.60, medium £3.00-£3.60, best small £3.00-£4.00. Skinned dogfish (medium) £6.00. Lemon soles (large) £9.00, (medium) £8.00. Saithe £2.00-£2.50.

MEAT/VEGETABLES

MEAT COMMISSION — Average fatstock prices at representative markets on April 16. GB cattle 85.02p per kg lw (−2.11). UK sheep 150.5p per kg est dcw (−13.0). GB pigs 65.7p per kg lw (−2.8).

SMITHFIELD—Pence per pound. Beef: Scotch killed sides 69.0 to 74.0. Eire hindquarters 84.0 to 86.0, forequarters 49.0 to 51.0. Veal: English fats 80.0 to 90.0. Dutch hinds and ends 100.0 to 112.0. Lamb: English small new season 84.0 to 94.0. Imported frozen N.Z. PL 60.0 to 60.5, PM 58.0 to 59.0. Hoggets: English 60.0 to 74.0, Scotch 50.0 to 74.0. Pork: English, under 100 lbs. 40.0 to 49.5, 100-120 lbs. 40.0 to 48.0, 120-160 lbs. 38.0 to 46.0.

COVENT GARDEN—Prices in sterling per package except where otherwise stated: Imported Produce: Oranges—Spania: Navels 4.50-5.00; Jaffa: Valencia Lates 50/189s 4.40-5.60; Egyptian: Valencia Lates 75/125s 3.50-3.80; Moroccan: 64/113s 4.20-4.50; Cyprus: Valencia Lates 3.60-4.20. Ortaniques—Jamaican: 54/126s 6.50-7.00. Karas—Spania: 4.50. Lemons—Italian: 100/150s 4.50-4.75; Cyprus 15-kg 84/120s 3.40-4.30; Spania: Trays 25/45s 1.80-2.40; Californian: 99/165s 5.30-6.00; Outspan: 80/135s 5.60-6.00. Grapefruit—Cyprus: 20-kg 3.80-4.80; Jaffa: Large boxes 32/88s 4.00-4.80; Florida: Pink flesh 36/48s 5.80-6.40. Apples—New Zealand: Cox's Orange Pippins: 9.00; Chilean: Granny Smith large boxes 125/150s 8.00; South African: Golden Delicious 7.25-7.50, Starking 7.30-8.00; U.S.: Red Delicious 8.50-9.00; French: Golden Delicious, boxes 40-lb 138/175s 4.40-5.20, 20-lb 2.10-2.80; Italian: Granny Smith 20-lb per pound 0.10, Golden Delicious 0.11, Jonathan 0.09, Romea 0.11. Pears—South African: Approx. 34-lb Beurre Bosc 6.00, Packhams 6.60-8.00; Dutch: Conference per pound 0.16-0.18. Grapes—South African; New Cross 6.20, Barlinka 3.80-4.00. Strawberries—Per punnet, Californian: 0.80; Israeli: 0.40; Spanish: 0.35-0.45. Avocados: Israeli: 4.20-4.50; South African: 4.20-4.50. Melons—Chilean: White 8.00. Pineapples—Ivory Coast: Each 12s 0.50-0.80, 6s 1.10-1.20; South African: 6/9s 2.60-3.00. Bananas—Jamaican: 26-lb, per pound 0.15. Tomatoes—Canary: 4.60-5.50; Dutch: 6.80-7.00; Jersey: 7.20; Guernsey: 6.50-7.50. Onions—Canadian: 50-lb 4.50; South African: 5.00; Chilean: 4.60-5.00; Tasmanian: 20-kg 5.00; New South Wales: 44-lb 4.40. Cucumbers—Canary: 14/18s 1.60-2.00; Dutch: 2.30-2.50. Celery—Israeli: 20/28s 3.60; Spanish: 18/36s 3.50-4.00. Chicory—Belgian: 5-lb 2.00. Potatoes—Egyptian: King Edward 4.80; Canary: 5.50; Cyprus: New crop 28-lb 4.20, 55-lb 5.80. Carrots—Cyprus: Approx. 10-kg 2.40. English Produce: Potatoes—Per bag 2.50-3.00. Mushrooms—Per pound 0.50-0.55. Apples—Per pound Bramley 0.10-0.17, Cox's Orange Pippin 0.13-0.22, Laxtons 0.10-0.12. Pears—Per pound Conference 0.09-0.17. Swedes—Per 25/28-lb 0.60-0.70. Turnips—Per 28-lb 1.40-1.60. Sprouts—Per pound 0.09-0.10. Carrots—Per bag 1.80-2.20. Cabbages—Per bag 1.00, White 1.50. Cauliflowers—Per 12's English 2.00-2.80. Cucumbers—Trays 16/20s 2.60-2.80, prepack 16/20s 3.00-3.20. Tomatoes—Per pound 0.55-0.60. Lettuce—Per 12 round 0.80-1.00. Parsnips—Per 28-lb 1.00-1.20. Rhubarb—Per pound outdoor 0.08. Onions—Per bag 4.20-4.50. Beetroots—Per bag, round 1.40, long 2.00.

PRICE CHANGES

In tonnes unless otherwise stated.

	April 16 1980	+ or —	Month ago
Metals			
Aluminium	£810/815	......	£810/815
Free Mkt	$1980/1930	+10	$1990/20
Copper			
Cash w'bar	£965.5	+24.5	£1,029
3 mths	£986.5	+17.25	£1,042.5
Cash Cathode	£933.5	+21	£988
3 mths	£962.5	+17.5	£1,014.5
Gold troy oz.	$529.5	+32	$520
Lead cash	£461	+16	£518
3 mths	£444.25	+11.75	£457.5
Nickel	£3,477	......	£3,335
Freemkt(cif lb	285/310c	......	285/310c
Platin'mtr'y oz	£189-193	......	£180
Free mkt	£282.15	+24.5	£287.55
Quicksil'ver†	$402/412	......	$395/405
Silver troy oz	670.45p	+8.35	841.20p
3 months	692.85p	+3.45	875.30p
Tin Cash	£7,815	+65	£7,775
3 mths	£7,812.5	+85	£7,812.5
Tungsten22.04lb	$141.56	......	$141.14
Wolfrm 22.04 lbs	$144/148	......	$147/151
Zinc cash	£330.5	+6.5	£326
3 months	£333.5	+3	£331.5
Producers	$825	......	$825
Oils			
Coconut (Phil)	$700t	+5	$760
Groundnut	‡	......	‡
Linseed Crude	£438	—12	£459
Palm Malayan	$615x	......	$632.50
Seeds			
Copra Philip	$445	—10	$505
Soyabean(U.S.)	$264.x	+2	$276.50
Grains			
Barley Futures	£90.60	—0.30	£94.85
Maize			
French No3AM	‡	......	£116
Wheat			
No. 1 Red Spg.	‡	......	‡
No2HardWint.	‡	......	‡
Eng. Millingt.	‡	......	‡
Other commodities			
Cocoa ship.t	£1,351	—1	£1,459
Future July	£1,3.337	—3.5	£1,423
CoffeeF't'rJuly	£1,691.5	+1	£1,644
Cotton A.Index	91.05c	+0.2	91.25c
Rubber (kilo)	667p	......	68 p
Sugar (Raw)	£240	+10	£208
Wooltp's 64s kl	296p kilo	—5	308pkilo

u June. s May. t May-June. r April-May. x July. z Indicator. § Buyer. ‡ Per 76 lb flask.

AMERICAN MARKETS

NEW YORK, April 15.

GOLD AND copper markets rallied on ruours of Soviet troop build-up on the Iranian border. Silver retreated on lack of interest. Good trade and commission house buying moved sugar prices sharply higher. Cotton finished mixed on arbitrage trading. Trade buying supported nearby cocoa months, while distant months came under selling pressure. Coffee was featureless and was confined to a narrow trading range. A late rally in soyabeans and maize was not sufficient to pull wheat out of the loss position. Cattle and hogs sold lower, while the pork bellies staged a short covering rally, reported Heinold.

Cocoa—May 126.75 (127.70), July 125.55 (126.25), Sept. 128.05, Dec. 2881, March 2924, May nil, July nil, Sept. nil. Sales 1,170.

Coffee—"C" Contract: May 185.00-185.50 (186.02), July 192.75-193.00 (193.39), Sept. 198.75-199.00, Dec. 191.90-192.00, March 184.00-184.50, May 184.25-186.00, July 185.00-187.80, Sept. 187.50-189.00. Sales 3,682.

Copper—April 91.60 (89.00), May 92.10-92.60 (90.10), June nil, July 95.30-95.50, Sept. 97.50-98.00, Dec. 100.30, Jan. 101.00, March 102.30, May 103.60, July 104.90, Sept. 106.20, Dec. 108.10, Jan. 108.80. Sales 5,000.

Cotton—No. 2: May 84.10-84.40 (85.55), July 82.10-82.30 (83.60), Oct. 78.50, Dec. 74.10-74.20, March 75.00, May 76.40, July 77.15-78.00, Oct. nil. Sales 10,050.

*Gold—April 520.0-522.0 (507.5), May 523.2 (511.5), June 527.0-533.0, Aug. 544.0-550.0, Oct. 560.6, Dec. 575.6, Feb. 590.5, April 605.2, June 619.7, Aug. 634.1, Oct. 648.4, Dec. 662.6, Feb. 676.7. Sales 22,000.

Orange Juice—May 90.60-90.70 (87.80), July 91.00-91.25 (88.90), Sept. 92.25, Nov. 92.85-93.00, Jan. 92.25, March 93.25-93.50, May 94.10-94.25, July 94.95-95.10, Sept. 95.40-95.75. Sales 700.

Potatoes (round whites)—May 48.0-48.1 (49.0), Nov. 74.4-74.6 (74.5). Sales 529.

*Platinum—April 600.0-605.0 (584.5), May unquoted (unquoted), June unquoted, July 627.0-633.0, Oct. 650.0-660.0, Jan. 685.4, April 712.9, May unquoted. Sales 1,307.

¶Silver—April 1430.0-1435.0 (1455.0), May 1440.0-1455.0 (1470.0), June 1469.0, July 1490.0, Sept. 1539.0, Dec. 1604.0, Jan. 1625.5, March 1669.5, May 1713.5, July 1757.5, Sept. 1801.5, Dec. 1868.5, Jan. 1887.5. Sales 3,000. Handy and Harmon bullion spot 1430.00 (1485.00).

Sugar—No. 11: May 23.20-23.35 (21.93), July 23.98 (22.98), Sept. 24.35, Oct. 24.61, Jan. 25.30, March 25.96, May 26.04, July 26.20, Sept. 26.30. Sales 14,800.

Tin—794.00-800.00 asked (789.00-802.00).

CHICAGO, April 15.

Lard—Chicago loose 19.00 (same). New York prime steam 20.50 (same).

Live Cattle—April 65.05-65.25 (65.77), June 64.95-64.80 (65.67), Aug. 64.35-64.25, Oct. 63.00-62.90, Dec. 64.02-64.00, Jan. 64.65, Feb. 65.00-64.95.

Live Hogs—April 29.45-29.40 (29.52), June 34.20-34.40 (34.35), July 35.55-35.40, Aug. 34.70-34.50, Oct. 35.45-35.35, Dec. 38.75-38.65, Feb. 41.32, April 41.10, June 43.75.

‡‡Maize—May 267¼-268¼ (266¾), July

Closing prices for North America were not available for this edition.

281½-281 (279½), Sept. 291½-291½, Dec. 297¼-298, March 310, May 317.

Pork Bellies—May 33.50-33.35 (32.90), July 34.75-34.55 (34.15), Aug. 34.15-34.00, Feb. 48.25-48.00, March 47.75, May 48.25, July —, Aug. —.

†Soyabeans — May 596½-595 (590½), July 621½-620½ (614½), Aug. 631½, Sept. 640, Nov. 655-656, Jan. 672-672, March 690-690½, May 704-704½.

‖Soyabean Meal — May 163.7-163.8 (163.1), July 171.7-171.8 (171.1), Aug. 175.3, Sept. 177.2-178.0, Oct. 180.3, Dec. 184.3, Jan. 186.5, March 191.2-191.0, May 194.0-194.3, July 195.0-196.0.

Soyabean Oil — May 20.82-20.80 (20.51), July 21.50-21.45 (21.23), Aug. 21.80, Sept. 22.10, Oct. 22.35-22.30, Dec. 22.88-22.80, Jan. 23.00-22.90, March 23.35, May 23.70-23.75, July 24.10-24.20, March —.

†Wheat—May 391-390½ (392¾), July 400-399 (400½), Sept. 413, Dec. 432-431½, March 445½, May 452.

WINNIPEG, April 15. §Barley—May 112.50 (113.50), July 114.50 (115.40), Oct. 110.40, Dec. 110.30, March 110.80.

§Wheat—SCWRS 13.5 per cent protein content cif St. Lawrence 207.48 (207.83).

All cents per pound ex-warehouse unless otherwise stated. * $ per troy ounce. ¶ Cents per troy ounce. †† Cents per 56-lb bushel. † Cents per 60-lb bushel. ‖ $ per short ton (2,000 lbs). § $Can. per metric ton. §§ $ per 1,000 sq. feet. ‡ Cents per dozen.

EUROPEAN MARKETS

ROTTERDAM, April 16.

Wheat—U.S. No. 2 Red Winter June $174, July $173, Aug. $178. U.S. No. 2 Northern Spring 14 per cent April-May $182, May $182, June $185.50, July $186.50. Rest unquoted.

Maize—U.S. No. 3 Corn Yellow all $136, April $134.50, May $132.75, $133 traded, $133.25 sellers. June $136.50, July Sept. $142, Oct.-Dec. $147, Jan.-March $154.50.

Barley—1-2 Canadian Feed U.S. April $144.50, May $144.50, June $144.50.

Soyameal—44 per cent protein U.S. all $233. April $220, May $217, June $217.50, July-Aug. $226, Sept. $230, Nov.-March $240. Brazil Pellets all $229, May $225.50, June-July $227, Aug.-Sept. $233.50, Nov.-March $249.

PARIS, April 16.

COCOA (FFr per 100 kilos)—May 1255-1270, July 1325, Sept. 1310-1320, Dec. 1315-1330, March 1330-1300, May 1340-1360. Sales at call 2.

INDICES

FINANCIAL TIMES

Apr. 15	Apr. 14	M'nth ago	Year ago
285.02	285.40	292.49	272.25

(Base: July 1, 1952=100)

MOODY'S

Apr. 15	Apr. 14	M'nth ago	Year ago
1134.5	1159.0	1244.4	1046.7

(December 31, 1931=100)

DOW JONES

Dow Jones	April 11	April 14	Month ago	Year ago
Spot	419.07	419.77	421.75	382.27
F'tur's	429.92	429.60	440.04	383.66

(Average 1924-25-26=100)

REUTERS

Apr. 16	Apr. 15	M'nth ago	Year ago
1724.8	1717.7	1740.2	1542.6

(Base: September 18, 1931=100)

CORAL INDEX: Close 441-446 (+5)

LEGAL NOTICES

IN THE MATTER OF COTTY & CO. LIMITED AND IN THE MATTER OF THE COMPANIES ACT 1948

NOTICE IS HEREBY GIVEN that the creditors of the above-named Company, which is being voluntarily wound up, are required, on or before the 8th day of July, 1980, to send in their full Christian and surnames, their addresses and descriptions, full particulars of their debts or claims, and the names and addresses of their Solicitors (if any), to the undersigned Brian Whincup, FCA, Floyd Nash & Co., of 113, Bute Street, Cardiff CF1 6EQ, the Liquidator of the said Company, and, if so required by notice in writing from the said Liquidator, are, personally or by their Solicitors, to come in and prove their debts or claims at such time and place as shall be specified in such notice, or in default thereof they will be excluded from the benefit of any distribution made before such debts are proved.

Dated this 9th day of April, 1980.

B. WHINCUP, Liquidator.

IN THE MATTER OF ATLANTIC FUSEGEAR LIMITED AND IN THE MATTER OF THE COMPANIES ACT 1948

NOTICE IS HEREBY GIVEN that the creditors of the above-named Company, which is being voluntarily wound up, are required, on or before the 8th day of July, 1980, to send in their full Christian and surnames, their addresses and descriptions, full particulars of their debts or claims, and the names and addresses of their Solicitors (if any), to the undersigned Brian Whincup, FCA, Floyd Nash & Co., of 113, Bute Street, Cardiff CF1 6EQ, the Liquidator of the said Company, and, if so required by notice in writing from the said Liquidator, are, personally or by their Solicitors, to come in and prove their debts or claims at such time and place as shall be specified in such notice, or in default thereof they will be excluded from the benefit of any distribution made before such debts are proved.

Dated this 9th day of April, 1980.

B. WHINCUP, Liquidator.

LONDON STOCK EXCHANGE

Revived institutional demand gives boost to equities
Long tap oversubscription seems a mere formality

Account Dealing Dates
Options

*First Dealings	Declara-tions	Last Dealings	Account Day
Mar. 24	Apr. 10	Apr. 11	Apr. 21
Apr. 14	Apr. 24	Apr. 25	May 6
Apr. 28	May 8	May 9	May 19

* "New time" dealings may take place from 9 am two business days earlier.

Equity markets changed course quite distinctly yesterday when institutional investors cast aside their recent lethargy and committed funds to a wide range of quality shares, many of which were found to be in short supply. At the same time, a more speculative interest was drawn to Properties and Oils, and firmness here swiftly benefited sentiment in markets generally. Early indecision cleared as professional bear positions were covered and most equity sectors progressed to close on a firm note.

Optimistic views about lower interest rates apparently ignited the Property sector and some good gains developed in a one-way trade. Secondary Oils initially had followers, many of whom were looking for yet a further increase in crude oil prices, but the strength failed to last. Trading statements often made an impact and selected constituents of the FT 30-share index also fared well with rises extended to eight pence; the index recorded its largest single-day rise so far this month to close 5.3 up at 443.1, after having been marginally easier at 10.00 am.

The trend in Gilt-edged securities was similar with quotations soon regaining early falls ranging to ¼ to close strongly, which led to the general conclusion that over-subscription of the new £1bn long tap stock this morning would be a formality. Switching operations constituted much of the day's business with the majority of funds being reserved for today's tap applications with only £20 payable at tender for the stock, Treasury 13¼ per cent 2004-08, issued at 95.

General interest revived just before the official close, however, following news of the first major U.S. prime rate cut in many months; Chase Manhattan reduced its rate from 20 to 19¾ per cent effective immediately. Gains to ½ were extended in the after-hours' trade by ¼ or so, especially among ultra-longs, while the shorts, around 1/16 higher at 3.30 pm, also moved up a ¼ more.

Hopes of cheaper money prompted an extremely active Traded options business in Land Securities which contributed 671 trades to a total of 1,392, the highest for over two months. Also in demand were Racal, with 245 deals, and Cons. Gold Fields, with 113.

Banks made headway under the lead of NatWest which put on 8 to 330p, rises in other leaders being limited to 4. Standard Chartered, at 480p, picked up 10 of the previous day's loss of 20 which reflected disappointment with the 16 per cent profits increase. Elsewhere, UDT shed a penny to 58p, but F.C. Finance gained 3 to 70p and First National Finance hardened 1¼ to 18¼p.

Insurance brokers held steady to firm with Stewart Wrightson puttong on 5 more to 215p. Among Life issues, Pearl gained 4 to a 1980 peak of 318p, while Provident rose 6 to 158p following the results and Sun firmed 3 to 158p after the dividend policy statement.

In quietly firm Buildings, Tarmac added 7 to 230p and Blue Circle 4 to 308p, while Ready Mixed Concrete improved 3 to 171p, the last-named in continued response to the annual results. Rugby Portland Cement, at 70p, recovered the previous day's fall of a couple of pence that followed the preliminary statement and £12.8m rights issue announcement. Among Contracting and Construction issues, Taylor Woodrow picked up 6 to 342p, while gains of 3 were marked against Costain, 152p, and Aberdeen, 83p. Y. J. Lovell and Marchwiel firmed 5 apiece to 129p and 85p respectively, but Brown and Jackson shed that much further to 175p and Wilson (Connolly) lost 6 to 184p on profit-taking. Lower interest rate hopes helped housebuilders to higher levels, Barratt Developments adding 4 to 113p and Bellway a couple of pence to 72p.

Turnover in ICI was described as poor, but the shares hardened 4 to 372p. Buying ahead of the annual results due next Wednesday lifted Laporte 6 to 112p, while Leigh Interests rose 10 for a three-day gain of 18 to 136p on country support.

W. H. Smith disappoint

Selective support was evident for leading Stores. British Home were firm ahead of next month's preliminary results, closing 9 better at 284p, while gains of around 5 were common to GUS "A," 390p, and Mothercare, 242p. Burton continued the recent recovery and added a couple of pence to 117p, while UDS picked up a similar amount at 73p. A sizeable turnover was done in W. H. Smith which announced full-year profits some £3m below general market expectations and fell 14 to 132p. Home Charm eased 4 more to 132p on further consideration of the annual results, but fellow D-I-Y concern Harris Queensway attracted buyers and added 5 to 201p. B and Q (Retail) lost 4 to 74p following adverse Press comment; the annual results are due on Wednesday. Owen Owen held steady at 108p after the results which were deemed to be satisfactory, while I. J. Dewhirst firmed 4 to 79p in response to the increased annual profits and dividend together with a proposed 1-for-3 scrip issue. Grattan Warehouses closed 2 firmer at 86p awaiting the results, but Kitchen Queen continued weak and gave up 3 for a two-day loss of 6 at 15p. Among Shoes, Stylo encountered increased speculative demand and added 10 more at 170p.

Electricals continued to attract selective demand. GEC were prominent at 384p, up 7, and Racal put on 4 to 244p, as did Plessey, at 144p. Thorn EMI rose 8 to 306p. A.B. Electronic and Unitech stood out with gains of 9 to 156p and 15 to 290p respectively, the latter after 295p. Farnell rose 10 to 296p; the results are due next Tuesday. Other firm spots included Eurotherm, 317p, and Forward Technology, 94p, which both gained 7, the latter on further consideration of the 25 per cent profits increase at the half-way stage. Telephone Rentals attracted further investment support and put on 4 to 202p, while Standard Telephone and Cables steadied to 266p after Tuesday's fall of 6 following the results. Brocks Group weakened 11 to 43p on continued nervousness ahead of preliminary figures, due today.

Engineering issues moved within narrow limits with prices rarely changed by more than a couple of pence. Among the leaders, Hawker Siddeley announced preliminary results much in line with expectations but with a disappointingly small dividend increase; after being a couple of pence harder, the shares closed unchanged at 184p. GKN met buyers and added 5 at 267p. Special situations provided interest among secondary counters. Richardsons Westgarth became a good market, 5 up at 39p, following the £2m turnround from a pre-tax loss to a profit of £1.4m. William Sindall on the other hand eased 10 to 155p on the halved annual profits. Beauford held at 48p despite lower full-year profits, but Linread added a few pence to 35p on the higher interim profits.

Leading Foods were featured by Rowntree Mackintosh which rose 10 to 160p on second thoughts about the annual results. A. B. Foods also came in for support and improved 4 to 91p, while British Sugar revived with a gain of 5 to 175p

Berwick Timpo up

Slightly easier at the start, miscellaneous Industrial leaders picked up to close a shade better on the day. Unilever put on 6 to 406p with other gains limited to 2 or 3 pence. Comment on the interim statement led to support for Smiths Industries which rose 6 to 214p. Berwick Timpo were good at 73p, up 5, on the 44 per cent increase in pre-tax profits and a near-80 per cent dividend rise, while sharply higher figures left Portals 6 up at 262p. Lead Industries continued to attract buyers and put on 5 to 162p and, similarly, Marshall's Universal rose 6 to 92p. Full-year profits up 43 per cent and an optimistic statement caused a rise of 5 to 157p in William Baird, while further consideration of the results and proposed scri pissue took Jardine Matheson up 3 to 140p. Bestobell responded to investment comment with a rise of 5 to 230p and Esperanza figured among other firm spots with a gain of 7 to 115p. Wilkins and Mitchell held at 26p despite the poor results.

Christies International put on 5 to 164p; the price in yesterday's issue was in error.

Among generally firm Newspapers, News International rose 5 to 158p on further consideration of the preliminary statement, but Bristol Evening Post fel 6 to 146p following news that the company has suspended publication due to NGA sanctions.

Properties attracted fresh sup port and registered gains on the prospect of lower interest rates in the near future.

Secondary Oils feature

The average 35 cents per barrel North Sea oil price increase stimulated a reasonable demand for secondary oils, but closing levels were below the best. Burmah were given added impetus by the better-than-expected annual profits and dividend and touched 226p before settling 7 higher on balance at 22p. A combination of bid hopes and rumours of an imminent broker's bullish circular lifted Lasmo 17 to 510p, after 515p, and the OPS 40 to 995p. Fresh speculative support was forthcoming for Siebens UK which put on 45 to 655p, while I.C. Gas revived with a gain of 18 to 740p. Tricentrol continued firmly, up 8 more to 302p, after 306p, as did Ultramar, 4 higher at 566p, after 570p. An investment recommendation lifted Woodside 9 to 106p.

Guthrie became a volatile market ahead of today's meeting to approve the takeover of City and International Trust, the shares fluctuating between extremes of 840p and 812p before closing up on balance at 825p; City and International eased the turn to 12p. Elsewhere in Plantations, Hongkong Rubber rose 43 to 658p in a thin market following the increased annual dividend.

RTZ advance

Mining markets were featured by Rio Tinto-Zinc which moved up strongly following much-better-than-forecast profits and dividend to close 17 higher at 380p. Some other London-registered Financials also gained ground following RTZ fiugres. Tanks rose 5 to 255p and Charter Consolidated 3 to 153p.

South African Golds were firm throughout the day but failed fully to reflect the sharp recovery in the bullion price, which advanced $32 to $529.50 an ounce.

Among the heavyweights Hartebeest put on a half-point to £24⅝ following the 39 per cent rise in net profits for the past quarter. Medium and lower-priced issues were featured by Stilfontein, 695p and Unisel, 421p, which added 29 and 17 respectively ahead of March quarter results showing Stilfontein's profits up 95 per cent and those of Unisel 114 per cent higher. The Gold Mines index rose 2.9 to 293.6.

Australians continued to reflect the uncertain trend in overnight Sydney and Melbourne markets. Gold issues were quietly steady until the late afternoon when the sharp rise in the bullion price encouraged a flurry of buying interest.

Samantha jumped 10 to 80p, Poseidon and Otter 6 apiece to 116p and 66p respectively and North Kalgurli 4 to 64p.

Elsewhere, Hemerdon Mining rose 10 to 170p, after 180p, compared with Tuesday's introductory price of 135p, following renewed London interest, while disappointment with the March quarter results prompted persistent selling of Consolidated Murchison which dipped 20 to 360p.

LONDON TRADED OPTIONS

Option	Ex'rcise price	April Closing offer	April Vol.	July Closing offer	July Vol.	Oct. Closing offer	Oct. Vol.	Equity close
BP	300	36	11	—	—	—	—	334p
BP	325	12	1	—	—	—	—	"
BP	330	—	—	34	30	46	11	"
BP	360	—	—	19	—	30	1	"
BP	390	—	—	11	30	20	1	"
BP	420	—	—	5	5	13	—	"
Com. Union	120	11	1	18	—	24	—	130p
Cons. Gold	460	16	48	48	—	70	—	470p
Cons. Gold	500	1	20	28	40	48	3	"
Cons. Gold	550	1	—	11	—	25	2	"
Courtaulds	60	8	—	11½	22	12½	—	67p
Courtaulds	70	1½	4	5	—	7	—	"
GEC	360	25	50	48	—	61	—	383p
GEC	390	3½	15	29	—	43	—	"
Grand Met.	120	3½	6	12	—	16	4	122p
Grand Met.	130	½	—	6½	14	11	—	"
Grand Met.	140	¼	—	3½	—	5½	21	"
ICI	360	12	9	36	—	45	—	371p
Land Secs.	240	76	20	—	—	—	—	315p
Land Secs.	280	36	—	45	5	57	—	"
Land Secs.	300	16	27	31	12	43	—	"
Land Secs.	330	1¼	602	14	105	—	—	"
Marks & Sp.	90	3½	—	9	16	13	5	92p
Marks & Sp.	100	¾	—	4½	—	8½	1	"
Shell	360	2½	—	26	14	35	—	347p
Shell	420	1	—	6	1	10	—	"
Totals			714		294		49	
		May		**August**		**November**		
Boots	180	21	4	28	—	35	—	191p
Imperial Gp.	80	2½	—	5½	50	7	—	197p
Imperial Gp.	90	½	—	2	—	3	10	"
Racal Elec.	180	63	10	72	—	—	—	130p
Racal Elec.	200	45	1	54	—	61	—	"
Racal Elec.	220	25	121	39	1	48	—	"
Racal Elec.	240	12	110	24	2	38	—	"
RTZ	330	50	16	70	—	80	—	377p
RTZ	360	22	2	46	—	60	—	"
RTZ	390	11	1	42	1	45	5	"
RTZ	420	3	—	20	—	33	1	"
Totals			265		—		16	

FINANCIAL TIMES STOCK INDICES

	Apr. 16	Apr. 15	Apr. 14	Apr. 11	Apr. 10	Apr. 9	A year ago
Government Secs.	66.52	66.51	66.96	66.16	65.89	66.48	74.92
Fixed Interest	66.75	66.84	66.76	66.39	66.10	65.76	77.00
Industrial	443.1	437.8	438.2	435.5	431.8	431.3	534.4
Gold Mines	293.6	†290.7	306.5	307.7	311.1	322.1	137.2
Ord. Div. Yield	7.95	8.03	8.01	8.05	8.07	8.08	5.42
Earnings, Yld. % (full)	19.48	19.69	19.70	19.75	19.80	19.71	14.48
P/E Ratio (net) (*)	6.26	6.22	6.21	6.20	6.20	6.23	8.89
Total bargains	16,645	18,172	19,676	18,076	17,845	15,509	—
Equity turnover £m	—	84.19	85.86	92.88	100.03	70.43	78.42
Equity bargains total	—	10,879	11,398	13,078	12,591	11,362	14,924

10 am 437.4. 11 am 437.7. Noon 439.8. 1 pm 441.3.
2 pm 442.0. 3 pm 441.8.
Latest Index 01-246 8026.
* Nil=5.98.
Basis 100 Govt. Secs. 15/10/26. Fixed Int. 1928. Industrial Ord. 1/7/35. Gold Mines 12/9/55. SE Activity July-Dec. 1942. † Corrected.

HIGHS AND LOWS

	1980 High	1980 Low	Since Compilat'n High	Since Compilat'n Low
Govt. Secs.	69.26 (21/1)	63.85 (7/3)	127.4 (9/1/35)	49.18 (3/1/75)
Fixed Int.	69.61 (21/1)	64.70 (10/3)	150.4 (28/11/47)	50.53 (3/1/75)
Ind. Ord.	478.8 (15/2)	406.9 (3/1)	558.6 (4/5/79)	49.4 (26/6/40)
Gold Mines	377.9 (29/2)	265.5 (19/3)	442.3 (22/5/75)	43.5 (26/10/71)

S.E. ACTIVITY

	Apr. 16	Apr. 15
Daily		
Gilt Edged	137.4	146.4
Industrials	88.9	97.6
Speculative	26.8	20.0
Totals	69.0	74.8
5-day Av'ge.		
Gilt Edged	129.6	124.0
Industrials	101.4	103.1
Speculative	29.0	31.5
Totals	75.2	75.8

NEW HIGHS AND LOWS FOR 1980

The following securities quoted in the Share Information Service yesterday attained new Highs and Lows for 1980.

NEW HIGHS (73)

LOANS (2): ICFC 10½pcUns.Ln '86; Do. 11pcUns.Ln. '88
BANKS (2): F.C. Finance; First Nat. Finance
BEERS (2): Allied Breweries; Bass
BUILDINGS (1): Lovell (Y. J.)
STORES (2): Dewhirst (I. J.); Harris Queensway
ELECTRICALS (4): BICC; Electrocomponents; Forward Technology; Philcom
ENGINEERING (2): British Steam; Bronx Engineering
FOODS (2): Bejam; British Sugar
INDUSTRIALS (3): Beatson Clark; Boots; Bowater
INSURANCE (3): Eagle Star; Pearl; Provident
LEISURE (1): Hawley Leisure
PAPER (1): Wyatt (Woodrow)
PROPERTY (21): British Land 12pc Conv.; Brixton Estate; Capital & Counties; Centrovincial; Chesterfield; City Offices; Clarke, Nickolls; County & District; Daejan Hldgs.; Estates Prop. Inv.; Fairview Ests.; Hammerson A; Imry Property; Land Investors; Land Securities; Do. 5⅞pc Conv. '83; Peachey; Property Prtnrship.; Prop. & Rev. Inv.; Regional Prop. A; Rush & Tomkins; Scottish Metro.; Slough Ests. 10pc Conv. '90; Stock Conversion; Trafford Park
TRUSTS (4): Argo Inv.; Tor Inv. Cap.; Lazard String. Res.; Hambro Trust
OIL & GAS (2): Edinburgh Secs.; Ultramar
MINES (1): White Creek

NEW LOWS (30)

AMERICANS (6): Crown Zellerbach; Norton Simon; Honeywell; Sperry Corp.; IBM; Xerox Corp.
CANADIANS (4): Massey Ferguson [illegible]
[illegible]

RISES AND FALLS YESTERDAY

	Up	Down	Same
British Funds	77	3	8
Corpns. Dom. and Foreign Bonds	5	4	57
Industrials	305	98	991
Financial & Prop.	212	41	247
Oils	22	7	19
Plantations	3	6	19
Mines	49	31	74
Others	44	51	36
Totals	717	241	1,451

FT-ACTUARIES SHARE INDICES

These Indices are the joint compilation of the Financial Times, the Institute of Actuaries and the Faculty of Actuaries

	EQUITY GROUPS & SUB-SECTIONS (Figures in parentheses show number of stocks per section)	Wed., April 16, 1980 Index No.	Day's Change %	Est. Earnings Yield % (Max.)	Gross Div. Yield % (ACT at 30%)	Est. P/E Ratio (Net)	Tues., April 15 Index No.	Mon., April 14 Index No.	Fri., April 11 Index No.	Thurs., April 10 Index No.	Year ago (approx.) Index No.
1	CAPITAL GOODS (173)	239.35	+1.3	18.60	6.69	6.76	236.35	235.94	234.22	232.52	272.54
2	Building Materials (28)	233.81	+1.1	17.62	6.82	7.15	231.25	231.04	228.08	227.31	256.39
3	Contracting, Construction (28)	353.67	+1.3	27.20	6.96	4.46	349.19	349.30	346.10	346.65	420.68
4	Electricals (16)	635.48	+1.9	13.08	3.97	9.96	623.36	623.24	613.75	604.84	656.40
5	Engineering Contractors (11)	283.01	+0.5	26.71	9.08	4.79	281.66	277.24	272.35	271.36	401.37
6	Mechanical Engineering (74)	159.64	+0.7	21.55	8.31	5.86	158.52	158.17	157.98	157.24	202.97
8	Metals and Metal Forming (16)	162.39	+1.0	21.38	10.03	5.62	160.71	160.05	162.73	161.64	180.74
11	CONSUMER GOODS (DURABLE) (49)	218.33	+1.3	15.46	5.84	7.98	215.44	214.49	210.10	208.60	249.04
12	Lt. Electronics, Radio, TV (14)	316.30	+1.9	11.56	4.19	11.06	310.31	308.01	298.99	295.98	337.99
13	Household Goods (14)	106.28	−1.1	27.81	10.37	4.24	107.46	107.88	107.90	107.64	176.14
14	Motors and Distributors (21)	103.10	+0.2	24.08	9.66	4.93	102.89	103.13	103.14	103.12	128.51
21	CONSUMER GOODS (NON-DURABLE) (173)	217.08	+0.9	18.76	7.14	6.55	215.06	214.49	211.61	211.04	255.23
22	Breweries (14)	268.18	+1.1	16.49	6.55	7.12	265.37	264.01	258.19	258.66	291.14
23	Wines and Spirits (5)	301.79	+1.6	18.05	6.19	6.83	297.05	295.87	293.20	292.02	338.19
24	Entertainment, Catering (17)	291.45	+0.9	19.45	7.45	6.40	288.86	295.08	291.61	290.58	357.73
25	Food Manufacturers (21)	190.28	+1.5	20.67	7.74	5.94	187.47	186.81	185.68	184.73	223.80
26	Food Retailing (13)	299.43	+1.4	13.17	4.70	9.13	295.41	295.84	290.86	291.90	301.41
32	Newspapers, Publishing (13)	417.58	+0.8	24.32	7.25	5.60	414.13	412.28	412.43	406.52	465.54
33	Packaging and Paper (15)	130.37	+0.5	24.46	8.96	5.03	129.66	129.65	127.06	126.70	149.72
34	Stores (43)	218.86	+0.6	13.96	5.33	9.32	217.45	215.55	211.64	210.71	256.68
35	Textiles (24)	123.06	+1.0	29.30	12.52	4.25	121.80	121.00	119.36	119.32	178.27
36	Tobaccos (3)	202.07	+0.2	28.82	11.45	3.94	201.61	201.58	201.58	201.58	272.13
37	Toys and Games (5)	33.02	+1.1	45.54	15.37	2.70	32.66	32.31	32.86	32.51	96.08
41	OTHER GROUPS (97)	200.14	+1.0	17.52	7.34	6.82	198.25	198.35	197.42	196.56	222.88
42	Chemicals (16)	299.01	+1.2	20.71	8.03	5.52	295.43	297.55	297.47	295.50	312.19
43	Pharmaceutical Products (7)	193.06	+1.5	13.00	6.93	9.34	190.18	191.74	195.30	196.22	260.54
44	Office Equipment (6)	110.18	+0.3	19.25	7.44	5.99	109.82	109.86	109.52	108.46	145.86
45	Shipping (11)	464.24	+1.7	11.99	6.50	10.32	456.32	457.36	452.96	451.58	444.55
46	Miscellaneous (57)	239.36	+0.4	17.25	7.01	7.27	238.39	236.11	231.71	230.41	256.14
49	INDUSTRIAL GROUP (492)	225.57	+1.1	18.18	6.98	6.75	223.22	222.82	220.54	219.52	259.05
51	Oils (8)	716.58	−0.3	31.09	7.12	3.44	718.60	720.39	730.55	728.84	662.96
59	500 SHARE INDEX	264.53	+0.8	20.80	7.01	5.65	262.48	262.24	260.87	259.80	292.06
61	FINANCIAL GROUP (118)	198.00	+1.2	—	6.17	—	195.70	195.42	191.25	188.83	205.74
62	Banks (6)	215.07	+1.4	45.63	7.16	2.70	212.08	212.04	206.62	204.70	242.96
63	Discount Houses (10)	222.44	—	—	8.97	—	222.44	220.14	215.14	214.99	267.14
64	Hire Purchase (5)	203.11	−0.3	16.17	4.89	8.03	203.71	200.05	190.68	190.59	191.44
65	Insurance (Life) (10)	177.41	+0.7	—	7.12	—	176.17	174.36	170.66	169.39	171.80
66	Insurance (Composite) (9)	125.34	—	—	8.32	—	125.30	124.72	122.79	121.51	147.32
67	Insurance Brokers (10)	304.71	+0.2	16.22	6.72	8.67	304.15	301.55	287.88	288.36	322.71
68	Merchant Banks (14)	102.64	+1.3	—	6.08	—	101.37	99.93	99.45	99.20	97.28
69	Property (45)	386.85	+2.3	3.37	2.90	42.62	378.00	379.14	371.83	360.93	345.88
70	Miscellaneous (9)	126.83	+1.6	16.44	7.41	8.06	124.86	128.63	127.93	128.25	126.17
71	Investment Trusts (109)	211.42	+0.5	—	6.19	—	210.38	208.81	205.75	205.03	238.97
81	Mining Finance (4)	189.03	+2.3	12.32	4.73	9.85	184.71	188.36	184.38	185.74	133.47
91	Overseas Traders (19)	390.23	+0.6	13.00	6.92	9.42	387.84	394.55	395.66	389.39	366.69
99	ALL-SHARE INDEX (750)	248.63	+0.9	—	6.75	—	246.47	246.38	244.20	242.85	268.21

	FIXED INTEREST PRICE INDICES British Government	Wed., April 16	Day's change %	xd adj. today	xd adj. 1980 to date
1	Under 5 years	101.96	+0.25	0.19	3.39
2	5-15 years	106.16	+0.26	0.65	3.97
3	Over 15 years	110.08	+0.20	—	4.53
4	Irredeemables	126.25	+0.20	—	1.78
5	All stocks	105.78	+0.23	0.23	3.79

	FIXED INTEREST YIELDS British Govt. Av. Gross Red.		Wed., April 16	Tues., April 15	Year ago (approx.)
1	Low Coupons	5 years	12.63	12.70	9.23
2		15 years	12.42	12.46	10.38
3		25 years	12.42	12.46	10.77
4	Medium Coupons	5 years	14.40	14.49	10.85
5		15 years	14.02	14.04	11.61
6		25 years	13.87	13.89	11.26
7	High Coupons	5 years	14.51	14.59	11.23
8		15 years	14.36	14.39	11.35
9		25 years	14.26	14.29	11.16
10	Irredeemables		11.85	11.93	10.60

		Wed., April 16 Index No.	Yield %	Tues. April 15	Mon. April 14	Fri. April 11	Thurs. April 10	Wed. April 9	Tues. April 8	Thurs. April 3	Year ago (approx)
15	20-yr. Red. Deb & Loans (15)	49.74	14.88	49.62	49.66	49.49	49.41	49.31	49.26	49.26	50.90
16	Investment Trust Prefs. (15)	47.79	14.17	47.79	47.69	47.05	46.88	46.88	46.88	46.88	52.63
17	Coml. and Indl. Prefs. (20)	61.26	14.62	61.45	61.42	61.01	61.01	61.03	61.05	61.08	74.78

† Redemption yield. Highs and lows record base dates and values and constituent changes are published in Saturday issues. A new list of the constituents is available from the Publishers, the Financial Times, Bracken House, Cannon Street, London, EC4P 4BY, price 15p, by post 28p.

ACTIVE STOCKS

Stock	Denomination	No. of marks	Closing price (p)	Change on day	1980 high	1980 low
GEC	25p	8	384	+7	388	326
ICI	£1	8	372	+4	402	353
Tricentrol	25p	8	302	+8	334	250
Beecham	25p	7	118	+3	134	112
LASMO	25p	7	510	+17	528	337
NatWest Bank	£1	7	330	+8	373	305
RTZ	25p	7	380	+17	485	327
BP	25p	6	336	−2	412	328
Allied Beweries	25p	5	74	+1	74	68
Boots	25p	5	198	+3	198	158
Burmah	£1	5	222	+7	249	162
GKN	£1	5	267	+5	277	237
Racal Elec.	25p	5	244	+4	244	175
Shell Transport	25p	5	344	−2	410	314
Unilever	25p	5	406	+6	480	388

OPTIONS

DEALING DATES

First Dealing	Last Dealing	Last Declaration	For Settlement
Mar. 31	Apr. 19	July 10	July 21
Apr. 21	May 2	Aug. 7	Aug. 18
May 6	May 17	Aug. 28	Sept. 8

For rate indications see end of Share Information Service.

Calls were dealt in Burmah, Ward White, Tricentrol, Courtaulds, Woodside, Henry Ansbacher, Lonrho, W. L. Pawson, Montague L. Meyer, Australian Consolidated Minerals, BP, Bambers, FNFC, KCA, BSG, Bank and Commercial, BICC, Coral Leisure and Premier Oil. Puts were completed in FNFC, Premier Oil, Oxley Printing and Commercial Union, while doubles were transacted in Burmah, Town and City, Woodside and Tricentrol.

LEADERS AND LAGGARDS

The following table shows the percentage changes † which have taken place since December 31, 1979, in the principal equity sections of the FT Actuaries Share Indices. It also contains the Gold Mines Index.

Hire Purchase	+23.21	Chemicals	+ 6.39
Electronics, Radio and TV	+21.15	Others Groups	+ 5.91
Property	+19.34	Mechanical Engineering	+ 5.84
Building Materials	+16.68	Office Equipment	+ 5.83
Overseas Traders	+16.68	Entertainment and Catering	+ 5.63
Mining Finance	+14.05	Consumer Goods (Non-Durable) Group	+ 5.56
Stores	+13.75	Breweries	+ 4.96
Insurance Brokers	+13.68	Oils	+ 3.19
Electricals	+13.41	Insurance (Composite)	+ 2.98
Consumer Goods (Durable) Group	+13.16	Discount Houses	+ 1.43
Merchant Banks	+12.95	Wines and Spirits	+ 1.34
Insurance (Life)	+12.66	Tobaccos	+ 1.33
Packaging and Paper	+12.50	Food Retailing	+ 0.45
Metal and Metal Forming	+10.91	Motors and Distributors	− 0.70
Capital Goods Group	+10.75	Food Manufacturing	− 1.42
Investment Trusts	+ 9.29	Pharmaceutical Products	− 1.98
Gold Mines F.T.	+ 8.23	Engineering Contractors	− 2.09
Newspapers and Publishing	+ 7.79	Textiles	− 3.00
Shipping	+ 7.60	Banks	− 3.74
Contracting and Construction	+ 7.53	Household Goods	− 7.68
Industrial Group	+ 7.47	Toys and Games	−31.37
Financial Group	+ 7.32		
All-Share Index	+ 7.26		
500-Share Index	+ 6.57		

† Percentage changes based on Tuesday, April 15, indices.

RECENT ISSUES

EQUITIES

Issue price p	Amount paid up	Latest Renunc. date	1980 High	1980 Low	Stock	Closing price p	+ or −
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Berkley Exploration	135	+10
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Hemerdon Mining	170	+10
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Lon.Mere'tSecs.Dfd	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Marley (R.H.) 10p	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Roche Plant 10p	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Tot.ofProp.Str.5p	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Ward Hldgs. Dfd.	[illegible]	[illegible]

FIXED INTEREST STOCKS

Issue price £	Amount paid up	Latest Renunc. date	1980 High	1980 Low	Stock	Closing price £	+ or −
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Edwards (L.C.) 8% Conv. Red. Cum. Pref.	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Globe Inv. Tst. 11½% Conv. Uns. Ln. '90-95	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Gt. Portland Est. 9% Conv. Uns. Ln. 1993-2000	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Leigh Interests 10pc Conv. Uns. Ln. 1984-89	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Mid Kent Water 9% Red. Pref. 1985	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Mid Southern 10% Red. Pref. 1985	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Rk'n'nw'h & Uxbridge Wtr. 9% Red. Pref. 1985	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Sutton District Water 10pc Red. Pref. 1983	[illegible]	[illegible]

"RIGHTS" OFFERS

Issue price p	Amount paid up	Latest Renunc. date	1980 High	1980 Low	Stock	Closing price p	+ or −
185	F.P.	[illegible]	[illegible]	[illegible]	AGB Research	175	[illegible]
[illegible]	Nil	[illegible]	[illegible]	[illegible]	Aran Energy	[illegible]	[illegible]
[illegible]	Nil	[illegible]	[illegible]	[illegible]	Brent Chemicals	[illegible]	[illegible]
[illegible]	F.P.	[illegible]	[illegible]	[illegible]	Hammerson Prop. A	[illegible]	[illegible]
[illegible]	Nil	[illegible]	[illegible]	[illegible]	Howard Tenens	[illegible]	[illegible]
[illegible]	Nil	[illegible]	[illegible]	[illegible]	Pancontinental	[illegible]	[illegible]
[illegible]	F.P.	[illegible]	[illegible]	[illegible]	United Biscuits	[illegible]	[illegible]
[illegible]	Nil	[illegible]	[illegible]	[illegible]	Watmoughs	[illegible]	[illegible]

Renunciation date usually last day for dealing free of stamp duty. [illegible]

UNIT TRUST SERVICE

OFFSHORE & OVERSEAS—contd.

Lloyds Bk. (C.I.) U/T Mgrs.
P.O. Box 195, St. Helier, Jersey. 0534 27561
Lloyds Tst. O'seas 52.9 56.2 ... 2.29
Next dealing April 17.
Lloyds Trust Gilt £9.27 9.28 +0.02 13.25
Next dealing April 23.

Lloyds Bank International, Geneva
P.O. Box 438, 1211 Geneve 11 (Switzerland)
Lloyds Int. Growth SF407.0 435.50 ... 0.8
Lloyds Int. Income SF267.50 278.00 ... 6.50

M & G Group
Three Quays, Tower Hill EC3R 6BQ. 01-626 4588
[illegible]

Rothschild Asset Mgt. (Bermuda)
P.O. Box 664, Bk. of Bermuda Bld., Bermuda
Reserve Assets Fd. US$9.51 9.72 ... —
Prices on March 24. Next dealing April 12.

Royal Trust (C.I.) Fd. Mgt. Ltd.
P.O. Box 194, Royal Tst. Hse., Jersey. 0534 27441
[illegible]

TSB Gilt Fund Managers (C.I.) Ltd.
10 Wharf St., St. Helier, Jersey (CI). 0534 73494
TSB Gilt Fund 90.0 93.0 ... 15.05
TSB Gilt Fd. (Jsy.) 90.0 93.0 ... 15.05
Prices on April 16. Next sub. day April 23.

[illegible]

FT UNIT TRUST INFORMATION SERVICE

AUTHORISED UNIT TRUSTS

[illegible]

INSURANCE PROPERTY BONDS

[illegible]

OFFSHORE & OVERSEAS FUNDS

[illegible]

Continued on previous page

FT SHARE INFORMATION SERVICE

BRITISH FUNDS

"Shorts" (Lives up to Five Years)

[illegible]

Five to Fifteen Years

[illegible]

Over Fifteen Years

[illegible]

Undated

[illegible]

INTERNATIONAL BANK

[illegible]

CORPORATION LOANS

[illegible]

COMMONWEALTH & AFRICAN LOANS

[illegible]

LOANS

Public Board and Ind.

1980 High	Low	Stock	Price £	+ or −	Int.	Yield Red.
60	56½	Agric. Mt. 5pc '59-89	59¼	......	8.57	12.84
78	73½	Alcan 10½pc '89-94	78	......	13.81	14.60
28½	25	Met. Wtr. 3pc 'B'	26½	......	11.47	13.47
102	89	U.S.M.C. 9pc 1982	93	......	10.07	—
88¾	85½	Do. without Warrants	88½	......	10.60	17.10

LOANS—Continued

Financial

[illegible]

FOREIGN BONDS & RAILS

[illegible]

AMERICANS

[illegible]

CANADIANS

[illegible]

BANKS AND HIRE PURCHASE

1980 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's	P/E
244	202	ANZ $A1	210	......	022c	3.7	5.4	5.1
218	183	Alexanders D. £1	213	......	16.0	—	10.7	—
£76½	£56	Algemene Fl.100	£64½	......	025%	φ	8.1	φ
345	290	Allen Harvey £1	325	......	21.5	—	9.4	—
128	108	Allied Irish	112	......	h08.09	—	7.0	—
16¼	13	Ansbacher (H.) 5p	13¾	+¼	—	—	—	—
226	180	Arbuthnot L. £1	226	......	†10.42	—	9.3	—
360	320	Bk. Ireland £1	330	......	Q25.0	—	7.3	—
£162	£146	Do. 10pc Conv.	£152	......	Q10%	—	16.6	—

BANKS & HP—Continued

[illegible]

Hire Purchase, etc.

[illegible]

BEERS, WINES AND SPIRITS

[illegible]

BUILDING INDUSTRY, TIMBER AND ROADS

[illegible]

CHEMICALS, PLASTICS

[illegible]

CHEMICALS, PLASTICS—Cont.

[illegible]

DRAPERY AND STORES

[illegible]

ELECTRICALS

[illegible]

ENGINEERING MACHINE TOOLS

[illegible]

FOOD, GROCERIES, ETC.

[illegible]

FOOD, GROCERIES—Cont.

[illegible]

HOTELS AND CATERERS

[illegible]

INDUSTRIALS (Miscel.)

[illegible]

FINANCIAL TIMES

PUBLISHED IN LONDON & FRANKFURT

Head Office: The Financial Times Limited, Bracken House, 10 Cannon Street, London EC4P 4BY
Telex: Editorial 8954871. Advertisements: 885033. Telegrams: Finantimo, London.
Telephone: 01-248 8000.

Frankfurt Office: The Financial Times (Europe) Ltd., Frankenallee 68-72, 6000 Frankfurt-am-Main 1.
Telex: Editorial 416052. Commercial 416193. Telephone: Editorial 7598 234. Commercial 7598 1.

INTERNATIONAL AND BRITISH OFFICES

EDITORIAL OFFICES

Amsterdam: P.O. Box 1296, Amsterdam-C. Telex 16527 Tel: 276 796
Birmingham: George House, George Road. Telex 338650 Tel: 021-454 0922
Bonn: Presshaus 11/104 Heussallee 2-10. Telex 8869542 Tel: 210039
Brussels: 39 Rue Ducale. Telex 23283 Tel: 512-9037
Cairo: P.O. Box 2040. Tel: 938510
Dublin: 8 Fitzwilliam Square. Telex 5414 Tel: 785321
Edinburgh: 37 George Street. Telex: 72484 Tel: 031-226 4120
Frankfurt: Frankenallee 71-81 Telex: 416052 Tel: 7598 234
Johannesburg: P.O. Box 2128 Telex 8-6257 Tel: 838-7545
Lisbon: Praca de Alegria 58-1D, Lisbon 2. Telex: 12533 Tel: 362 508
Madrid: Espronceda 32, Madrid 3. Tel: 441 6772
Manchester: Queen's House, Queen Street. Telex: 666813 Tel: 061-834 9381
Mexico: Paseo de la Reforma 122-10, Mexico 6DF. Tel: 53513-68
Moscow: Kutuzovsky 14, Apartment 1, Moscow. Telex: 7900 Tel: 243 1635
New York: 75 Rockefeller Plaza, N.Y. 10019. Telex: 66390 Tel: (212) 541 4625
Paris: 36 Rue du Sentier, 75002. Telex: 220044 Tel: 236.57.43
Rome: Via della Mercede 55. Telex: 610032 Tel: 678 3314
Stockholm: c/o Svenska Dagbladet, Raalambsvagen 7. Telex: 17603 Tel: 50 60 88
Tokyo: 8th Floor, Nihon Keizai Shimbun Building, 1-9-5 Otemachi, Chiyoda-ku. Fax Tel: 241 2920
Washington: 914 National Press Building, Washington D.C. 20045 Telex: 440340 Tel: (202) 347 8676

ADVERTISEMENT OFFICES

Birmingham: George House, George Road. Telex 338650 Tel: 021-454 0922
Edinburgh: 37 George Street, Telex: 72484 Tel: 031-226 4139
Leeds: Permanent House, The Headrow. Tel: 0532 454969
Manchester: Queen's House, Queen Street. Telex 666813 Tel: 061-834 9381
Frankfurt: Frankenallee 68-72 Telex: 416193 Tel: 7598 1
New York: 75 Rockefeller Plaza, N.Y. 10019 Telex 238409 Tel: (212) 489 8300
Paris: 36 Rue du Sentier, 75002. Telex 220044 Tel: 236.86.01
Tokyo: Kasahara Building, 1-6-10 Uchikanda, Chiyoda-ku. Telex J27104 Tel: 295 4050

Overseas advertisement representatives in Central and South America, Africa, the Middle East, Asia and the Far East.
For further details, please contact:
Overseas Advertisement Department,
Financial Times, Bracken House, 10 Cannon Street, London EC4P 4BY

SUBSCRIPTIONS

Copies obtainable from newsagents and bookstalls worldwide or on regular subscription from Subscription departments: Financial Times in London, Frankfurt and New York

For Share Index and Business News Summary in London, Birmingham, Liverpool and Manchester, Tel: 246 8026

هكذا من الأصل

INDUSTRIALS—Continued

INSURANCE

INSURANCE—Continued

LEISURE

MOTORS, AIRCRAFT TRADES

Motors and Cycles

Commercial Vehicles

Components

Garages and Distributors

NEWSPAPERS, PUBLISHERS

PAPER, PRINTING ADVERTISING

PROPERTY

PROPERTY—Continued

SHIPPING

SHOES AND LEATHER

SOUTH AFRICANS

TEXTILES

TOBACCOS

TRUSTS, FINANCE, LAND

Investment Trusts

INVESTMENT TRUSTS—Cont.

Finance, Land, etc.

FINANCE, LAND—Continued

OIL & GAS

OVERSEAS TRADERS

RUBBERS AND SISALS

TEAS

India and Bangladesh

Sri Lanka

Africa

MINES

Central Rand

Eastern Rand

Far West Rand

O.F.S.

Finance

Diamond and Platinum

MINES—Continued

Central African

1980 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's
430	275	Coronation	310	......	†Q54c	2.2	10.0
680	520	Falcon Rh.50c	610	......	†Q100c	1.7	11.3
47	34	Rhod'n Corp. 16½p	37	......	0.56	8.5	2.2
267	160	Roan Cons. K4	180	+10	†Q0.12	ϕ	4.2
65	54	Wankie Col. Rh.1	56xd	......	†Q9c	1.5	11.1
54	28	Zam.Cpr. SBD0.24	29	−2	—	—	—

Australian

1980 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's
25	21	Acmex 50c	23	......	—	—	—
24	12	ACM 20c	13	......	—	—	—
115	70	Bond Corp.	70	......	Q3.75	2.2	2.7
234	132	Bougainville 50 Toea	165	......	sQ39½c	ϕ	12.8
265	195	BH South 50c	200	......	ϕ—	—	—
25	11½	Canada Northwest	14½	+½	—	—	—
42	8	Carr Boyd 20c	22	......	—	—	—
£26	£15¾	Central Pacific	£19	......	—	—	—
356	230	Conzinc Riotinto 50c.	244	−2	Q15c	2.1	3.2
39	17	Cultus Pacific N.L.	32	+2	—	—	—
50	20	Eagle Corp. 10c	26	......	—	—	—
26¾	15¾	Endeavour 20c	17	+½	—	—	—
258	175	G. M. Kalgoorlie 25c	206	+2	†Q3c	—	0.8
46	15	Great Eastern	32	+3	—	—	—
372	260	Hamptn Areas 5p.	320	......	3.5	2.8	1.6
45	30	Hanna Gold N.L.	40	......	—	—	—
72	41	Metals Ex. 50c	59	......	—	—	—
312	194	M.I.M. Hldgs. 50c	202	−4	††Q16.1c	1.8	4.1
40	18½	Minefields Expl.	40	......	—	—	—
155	60	Mount Lyell 25c	70	−2	—	—	—
28	15	Newmetal 20c	15	......	—	—	—
35	12	Nickelore N.L.	13½	......	—	—	—
207	138	North B. Hill 50c.	141	−3	†Q12c	1.4	4.4
80	44½	Nth. Kalgurli	64	+4	—	—	—
165	90	Nth. Mining Corp.	110	+2	—	—	—
43	24	N. West Mining N.L.	38	......	—	—	—
235	158	Oakbridge $A1	162	......	Q12c	4.7	3.8
122	70	Otter N. L.	70	−2	—	—	—
230	128	Pacific Copper	180	−10	—	—	—
465	265	Pancont'l 25c	265	−5	—	—	—
78	43	Paringa M&Ex 5p	43	......	—	—	—
495	345	Peko-Wallsend 50c.	345	−10	tQ17.5c	ϕ	2.6
230	140	Seltrust A	150	−8	—	—	—
£10¼	575	Southern Pacific	700	......	—	—	—
75	31	Swan Resources 20c.	43	......	—	—	—
13	9½	West Coast 25c	9½	−½	—	—	—
264	177	Westn. Mining 50c.	193	−2	†Q7c	1.6	2.0
30	10	Westmex	13	......	—	—	—
96	56	Whim Creek 20c.	92	+2	—	—	—
24	10½	York Resources	13	......	—	—	—

Tins

1980 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's
25	16	Amal Nigeria 1p	16	−1	16.0	1.9	53.6
345	265	Ayer Hitam SM1	270	......	‡Q290c	0.9	‡
67	48	Beralt Tin	49	......	4.5	ϕ	13.1
185	149½	Berjuntai SM1	160	......	‡Q95c	1.0	‡
230	153	Geevor	205	......	8.71	3.1	6.1
11	10	Gold & Base 12½p	10	......	—	—	—
365	310	Gopeng Cons.	325	......	†25.0	1.8	11.2
310	280	Hongkong	300	......	35.87	ϕ	17.1
105	90	Idris 10p	98	......	28.0	ϕ	11.7
15	14	Jantar 12½p	14	......	—	—	—
77	64	Kamunting SM0.50	67	......	Q47½c	1.1	15.9
320	300	Killinghall SM1	320xd	......	Q100c	ϕ	6.4
670	485	Malay Dredging SM1	580xd	......	mQ185c	2.6	3.7
33	26	Pahang	28	......	0.44	0.3	2.3
108	92	Pengkalen 10p	92	......	6.0	1.3	9.3
290	230	Petaling SM1	260	......	Q150c	1.4	11.7
70	57	Saint Piran	60	......	‡ϕ2.5	6.4	‡
44	30	South Crofty 10p	31	......	‡3.0	2.8	‡
255	180	South Kinta SM0.50	200	......	Q150c	1.0	15.3
400	340	Sthn Malayan SM1	370xd	......	†Q175c	2.1	9.6
295	215	Sungei Besi SM1	255	−5	†Q520c	1.0	41.5
39	22½	Supreme Corp. SM1	35		9.74	hQ8c	—
100	95	Tanjong 15p	95	......	24.5	ϕ	6.8
95	80	Tongkah H. Tin	80	......	Q45c	1.3	12.6
275	220	Tronoh SM1	225	......	†Q25c	5.2	2.3

Copper

1980 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's
235	130	Messina R0.50	194	+4	Q10c	ϕ	3.0

Miscellaneous

1980 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's
160	78½	Anglo-Dominion	145	......	—	—	—
97	58	Barymin	72	−½	—	—	—
15	12	Burma Mines 17½p	14xd	......	0.62	ϕ	6.4
502	330	Cons. Murch. 10c.	360	−20	hQ100c	1.0	15.9
585	325	Northgate C$1	370	−10	—	—	—
485	327	R.T.Z.	380	+17	15.0	ϕ	5.8
33	16	Robert Mines	31	......	—	—	—
58	27	Sabina Inds. C$1.	35	+½	—	—	—
650	485	Tara Expln. $1	490	......	—	—	—

NOTES

Unless otherwise indicated, prices and net dividends are in pence and denominations are 25p. Estimated price/earnings ratios and covers are based on latest annual reports and accounts and, where possible, are updated on half-yearly figures. P/Es are calculated on "net" distribution basis, earnings per share being computed on profit after taxation and unrelieved ACT where applicable; bracketed figures indicate 10 per cent or more difference if calculated on "nil" distribution. Covers are based on "maximum" distribution; this compares gross dividend costs to profit after taxation, excluding exceptional profits/losses but including estimated extent of offsettable ACT. Yields are based on middle prices, are gross, adjusted to ACT of 30 per cent and allow for value of declared distribution and rights.

- • "Tap Stock.
- * Highs and Lows marked thus have been adjusted to allow for rights issues for cash.
- † Interim since increased or resumed.
- ‡ Interim since reduced, passed or deferred.
- ‡‡ Tax-free to non-residents on application.
- ϕ Figures or report awaited.
- †† Unlisted security.
- # Price at time of suspension.
- ¶ Indicated dividend after pending scrip and/or rights issue; cover relates to previous dividends or forecasts.
- ♦ Merger bid or reorganisation in progress.
- ♣ Not comparable.
- ♠ Same interim; reduced final and/or reduced earnings indicated.
- § Forecast dividend; cover on earnings updated by latest interim statement.
- ‡ Cover allows for conversion of shares not now ranking for dividends or ranking only for restricted dividend.
- ★ Cover does not allow for shares which may also rank for dividend at a future date. No P/E ratio usually provided.
- ▼ Excluding a final dividend declaration.
- ✱ Regional price.
- ‖ No par value.

§§ Yield based on assumption Treasury Bill Rate stays unchanged until maturity of stock. a Tax free. b Figures based on prospectus or other official estimate. c Cents. d Dividend rate paid or payable on part of capital; cover based on dividend on full capital. e Redemption yield. f Flat yield. g Assumed dividend and yield. h Assumed dividend and yield after scrip issue. j Payment from capital sources. k Kenya. m Interim higher than previous total. n Rights issue pending. q Earnings based on preliminary figures. s Dividend and yield exclude a special payment. t Indicated dividend: cover relates to previous dividend, P/E ratio based on latest annual earnings. u Forecast dividend: cover based on previous year's earnings. v Tax free up to 30p in the £. w Yield allows for currency clause. y Dividend and yield based on merger terms. z Dividend and yield include a special payment: Cover does not apply to special payment. A Net dividend and yield. B Preference dividend passed or deferred. C Canadian. E Minimum tender price. F Dividend and yield based on prospectus or other official estimates for 1979-80. G Assumed dividend and yield after pending scrip and/or rights issue. H Dividend and yield based on prospectus or other official estimates for 1980-81. K Figures based on prospectus or other official estimates for 1979-80. M Dividend and yield based on prospectus or other official estimates for 1980. N Dividend and yield based on prospectus or other official estimates for 1979. P Figures based on prospectus or other official estimates for 1978-79. Q Gross. T Figures assumed. Z Dividend total to date.

Abbreviations: xd ex dividend; xc ex scrip issue; xr ex rights; xa ex all; xR ex capital distribution.

REGIONAL MARKETS

The following is a selection of London quotations of shares previously listed only in regional markets. Prices of Irish issues, most of which are not officially listed in London, are as quoted on the Irish exchange.

Albany Inv. 20p	28	......	**IRISH**		
Bertam	18	......	Conv. 9% '80/82	£86	......
Bdg'wtr. Est. 50p	370	+5	Nat. 9¾% 84/89	£71¼	......
Clover Croft	60	......	Fin. 13% 97/02	£78¾	......
Craig & Rose £1	£18½	......	Alliance Gas	59	−9
Fife Forge	37	......	Arnott	360	+10
Finlay Pkg. 5p	20	......	Carroll (P.J.)	50	......
Graig Ship. £1	£11¼	−¼	Clondalkin	105	......
Higsons Brew	75	......	Concrete Prods.	77½	......
Holt (Jos) 25p	255	......	Heiton (Hldgs.)	33	......
I.O.M. Stm. £1	165	......	Ins. Corp	250	......
Pearce (C. H.)	385	......	Irish Ropes	60	−20
Peel Mills	39	......	Jacob	34	......
Sheff. Refrsmt	99	......	T.M.G.	140	−2
Sindall (Wm.)	155	−10	Unidare	103	+1

OPTIONS
3-month Call Rates

Industrials		I.C.I.	32	Utd. Drapery	9
A. Brew	8	"Imps"	7	Vickers	14
BOC Intl.	6	I.C.L.	45	Woolworths	6½
B.S.R.	5	Inveresk	5		
Babcock	12	Ladbroke	15	**Property**	
Barclays Bank	30	Legal & Gen.	14	Brit. Land	7
Beecham	13	Lex Service	16	Cap. Counties	9
Blue Circle	25	Lloyds Bank	24	Land Secs	25
Boots	17	"Lots"	3½	MEPC	17
Bowaters	16	London Brick	6	Peachey	13
B.A.T.	25	Lucas Inds.	28	Samuel Props	12
Brown (J.)	7	"Mams"	14	Town & City	2
Burton 'A'	22	Mrks. & Spncr	9		
Cadburys	5½	Midland Bank	30	**Oils**	
Courtaulds	8	N.E.I.	5	Brit. Petroleum	38
Debenhams	8	Nat. West. Bank	32	Burmah Oil	20
Distillers	21	P & O Dfd.	9	Charterhall	12
Dunlop	5½	Plessey	16	KCA	11
Eagle Star	14	Racal Elect.	20	Premier	12
F.N.F.C.	2½	R.H.M.	4½	Shell	35
Gen. Accident	21	Rank Org.	18	Tricentrol	35
Gen. Electric	30	Reed Intl.	17	Ultramar	50
Glaxo	40	Sears	5½		
Grand Met	12	Tesco	7	**Mines**	
G.U.S. 'A'	30	Thorn	25	Charter Cons.	18
Guardian	23	Trust Houses	14	Cons. Gold	52
G.K.N.	22	Tube Invest.	27	Lonrho	12
Hawker Sidd	16	Unilever	40	Rio T. Zinc	35
House of Fraser	12	U.D.T.	4		

A selection of Options traded is given on the London Stock Exchange Report page

"Recent Issues" and "Rights" Page 40

This service is available to every Company dealt in on Stock Exchanges throughout the United Kingdom for a fee of £500 per annum for each security

FINANCIAL TIMES
Thursday April 17 1980

EEC in Iran sanctions move

BY WALTER ELLIS IN STRASBOURG

THE European Commission is expected to produce firm proposals within the next five days for the imposition of EEC trade sanctions against Iran. The proposals would then be considered by the Council of Ministers, meeting in Luxembourg next Tuesday.

The Commission has agreed that powers to establish sanctions exist under Article 113 of the Treaty of Rome, which governs Community affairs. The article covers common commercial policy and deals with the regulation of trade.

Mr. Roy Jenkins, President of the Commission, has clearly placed a rather liberal interpretation on the article.

Under another article of the treaty, Article 224, Member States can alter trading arrangement during times of international tension or to carry out obligations they have accepted "for the purpose of maintaining peace and international security." The Commission feels, however, that this is a matter outside its competence and that any proposal it makes would have to be on the basis of Article 113.

The Commission's officials stress that any proposals for sanctions would have to take account of the facts that many Europeans live and work in Iran, and that contracts placed by the Tehran Government with European companies are worth hundreds of millions of pounds. There are, for example, about 1,800 Italian citizens in Iran.

The possible wording of the proposal is to be discussed by the Commission here today, but the formal drafting is likely to be left until just before next Tuesday's Council meeting.

The extent of Europe's dependence on Iranian oil imports has been analysed by Commission officials. Their findings will be taken into account by the Council.

Last year, the Community imported an average of 656,000 b/d of Iranian oil. Last month, this declined to 300,000 b/d. The signs are that the process of buying elsewhere will continue even without sanctions.

In the European Parliament yesterday, Signor Emilio Colombo, the new Italian Foreign Minister and current Ministers, said the continued President of the Council of holding of the U.S. hostages in Tehran was totally unacceptable and a violation of international law.

He expressed the Community's "full solidarity with the American people and Government," and said that the Member States would continue to speak firmly to the Iranian authorities in an attempt to resolve the crisis. He did not mention possible use of sanctions.

The Parliament will debate the Iran crisis today. A number of resolutions have been put forward, calling for sanctions and the breaking of diplomatic relations with Iran.

Brezhnev seeks talks with Schmidt

By Jonathan Carr in Bonn

MR. LEONID BREZHNEV, the Soviet leader, has proposed a meeting with Mr. Helmut Schmidt, the West German Chancellor, in the early summer. The Germans are consulting with their allies before deciding whether to accept.

The proposal comes as Bonn prepares to recommend West German athletes not to take part in the Olympic Games in Moscow. It puts the Government in a dilemma.

Bonn has constantly stressed that diplomatic contacts with the East must not be halted — especially in times of tension — and has deplored the fact that the superpowers have not been in close enough contact with one another.

Yet the Government wants to avoid any sign that it is either breaking ranks with its Western partners or trying to act as a mediator between Washington and Moscow. The present consultations — with the U.S. in particular — are aimed at ensuring this does not happen.

The West Germans are looking for a firm sign from the Soviet Union that there is a serious disposition in Moscow to talk about Afghanistan and East-West arms control if Mr. Schmidt's visit goes ahead.

Government spokesmen have not disclosed when the Soviet Ambassador to Bonn, Mr. Vladimir Semyonov, delivered the suggestion of a summer meeting to the Chancellor. But they confirm that it was before a speech last weekend, in which Mr. Schmidt urged Moscow to make a gesture to break the deadlock on arms control.

Mr. Schmidt then indicated that even if Moscow was not prepared to stop producing intermediate range nuclear missiles which could reach the whole of Europe, it could at least stop physically deploying them to help negotiations with the West get off the ground.

This passage of Herr Schmidt's speech has since been criticised by the political opposition as undermining NATO's decision las December on producion and deploymen of its own missiles, while seekig negotatons wth the East.

The Government says the Chancellor holds fast to the NATO decision—but was urging the Russians to make a positive initial signal, even if only a small one. There has been no such sign from Moscow.

Japanese 'in Thorn video deal'

By Richard C. Hanson in Tokyo

VICTOR COMPANY of Japan, a subsidiary of the large Matsushita Electric Industrial Company, is believed to have reached an agreement with Thorn EMI in the UK on the first big Japanese step in introducing a home video disc system in Europe.

The Victor system will compete directly with disc machines being tested in the U.S. by Philips and RCA.

In what seems likely to be a major marketing battle, industry officials believe the video disc system could rival the success of home video tape-recorders by the middle of this decade.

A formal announcement of Victor's intentions with Thorn, which acquired EMI last year, will be made today in Tokyo and London. Both companies refused to comment yesterday on the details of the agreement.

Victor is considering acquisition of the television interests of Decca, recently taken over by Racal. The former Decca TV works might form a manufacturing base for videotape recorders or video disc systems, as well as television sets, for Victor.

It is logical for Thorn EMI to become interested in the disc developed by Victor.

Thorn has been the most successful marketer in the UK of the Victor-built home video tape recorders, the VHS video tape system which Victor introduced four years ago to compete with Sony's Betamax recorder.

Perhaps even more important is the fact that, with EMI, Thorn can produce the discs used in the Victor system.

Victor claims that almost any record-pressing company will be able to produce its disc, a crucial point in competing with the Philips system.

Britain on road to 4.4m unemployed, says Godley

BY PETER RIDDELL, ECONOMICS CORRESPONDENT

UNEMPLOYMENT WILL rise sharply and output will decline steadily over the next few years unless very high import tariffs are imposed and the pound is devalued, the Cambridge Economic Policy Group argues today.

The group, a dozen Cambridge economists headed by Mr. Wynne Godley, has attracted attention in recent years as a critic of strict monetary control ad an advocate of protection.

As such, it has gained influence within certain sections of the Labour Party, although its views have been attacked by many other economists.

Today's annual Cambridge Economic Policy Review, the gloomiest in its six-year history, compares projections of what will happen if current policies are continued, if the pound is devalued sharply and if, in addition, import tariffs are imposed.

The group argues that there will be "a recession without parallel since the 1930s" if present policies are maintained because of the impact of a rising pound and in view of the emphasis on tight monetary policy.

Consequently, total output is projected to drop by 12 per cent between 1979 and 1985 while unemployment is expected to rise from last year's 1.3m to 4.4m in 1985.

The Cambridge projections suggest, however, that tight monetary policy will succeed in cutting the annual rate of consumer price inflation from 19 per cent this year to less than 8 per cent in 1985 while real wages and consumer spending will increase steadily.

The group says that with a sharp devaluation and a two-year incomes policy, then by 1983 the current fall in output could have been recouped, although unemployment would still rise sharply, to 3.6m in 1985, and inflation would be high.

A package of devaluation, import tariffs and expansionary fiscal policy provides the only hope for economic recovery, the economists say.

The suggested tariffs would initially be 30 per cent for finished manufactured goods, rising to 72 per cent by 1990.

On this basis, it should be possible to restore 1979 levels of spending and output by the en dof 1981 with unemployment of 2.1m then, and to maintain a rate of economic growth averaging 3 to 4 per cent annually thereafter.

The rate of consumer price inflation would remain high, though fluctuating, and would be over 20 per cent in 1985.

Details, Page 11
Economic Viewpoint, Page 25

Schlesinger sells Trident group

BY ERIC SHORT

GENERAL REINSURANCE Corporation, the largest reinsurance group in the U.S. and one of the largest in the world, is making its first move into the direct insurance sector by acquiring the UK-based Trident Insurance Group and its related companies from the Schlesinger Group. The price is believed to be well over £10m.

Trident was acquired by SEI, a member of the Schlesinger Group, in 1972 from Shipping and Industrial Holdings for £3m. The life then had funds of about £10m, and the general insurance company had an annual premium income of between £2m-£3m.

The life company has since grown. It now manages funds of £85m with more than 100,000 policyholders, specialising in unit-linked individual life contracts and in personal and executive pension business. The general insurance company has specialised in fire, business interruption, machinery and construction risks, operating only in the commercial and industrial insurance fields. Its premium income is almost £9m a year and shows underwriting profits of between £750,000 and £1m.

This growth has been financed by retained funds. The amounts paid in dividends by both life and general companies to SEI have been minimal. Last year, the life company paid £200,000 and the general company £100,000 in dividends.

The group owns a related company, Beaufort Computer Services, which offers a wided range of computer services, primarily to the insurance industry. Its client list includes 19 insurance companies, and its pre-tax profits are about £150,000.

Other approaches have previously been made for the Trident Group, and serious discussions were held with the U.S. insurance conglomerate INA. But Mr. Manfred Gorvy, the chief executive of SEI, said the offer from General Reinsurance was very generous.

Bankers meet on Chrysler rescue plan

BY IAN HARGREAVES IN NEW YORK

MORE THAN 200 bankers met in Detroit yesterday amid indications from major U.S. lenders that they had decided to assist the troubled Chrysler Car Company by restructuring its debt, relieving it of some interest payments and lowering rates on other loans.

As they got together for what seemed the final conclave in the banks' part in rescuing Chrysler, the bankers were in possession of final details of the company's recovery proposals.

Copies of the proposal have been mailed to about 300 banks and financial institutions for final signature, and a copy of the financial plan is on its way to the U.S. Government.

It will then be up to the Government to decide whether the banks' contribution is acceptable.

Congress asked the banks to provide $650m, of which $400m was expected to be in new credits, as part of the $2bn Chrysler has to raise from lenders and others to qualify for Government loan guarantees.

The company already has commitments from employees, state governments and others for over half the $2bn.

Apart from assessment of the package in Washington, bankers say there are other potential stumbling blocks.

One is the legal action by Banque Bruxelles Lambert to recover $10m owed it by Chrysler. Other foreign banks have made clear that they will follow if the Belgian bank is allowed to pull out.

According to banking executives Banque Bruxelles has come under strong pressure from the U.S. Government to move back from the suit. The bank itself would make no comment yesterday.

There is also still some uncertainty about the position of the Japanese banks, which have been heavily involved in financing Chrysler's imports of Japanese cars.

The problem for the Government is how flexible it can be in interpreting the Chrysler aid Act. Bankers admit privately that much window-dressing has been necessary to present their agreed concessions as a $650m contribution, as required by the Act.

The figure depends, for example, on assumptions about future interest rates.

It also seems likely that Chrysler will not be able to meet the Act's target of raising $300 mln asset sales because of the recent collapse of its talks with household finance for the sale of a stake in Chrysler Financial, Chrysler's financing subsidiary.

Mr. William Miller, U.S. Treasury Secretary, referred to the Chrysler Financial question as a key difficulty on Tuesday.

He added that the legislation was less flexible than the Government would dhave liked, though it is important that in its report last week on Chrysler's outlook the Government specifically bracketed together new credit by the banks and interest-rate concessions.

A few bankers remain convinced that the Government is merely manoeuvring to turn down the financing plan in such a way that it will be able to blame the banks for the company's resultant collapse.

Weather

UK TODAY

MAINLY dry with bright and sunny intervals. Rain at first in North. Very warm in South.

London, S.E., E. Cent. S., S.W. England, E. Anglia, Midlands, S. Wales, Channel Isles

Mainly dry bright or sunny intervals. Max. 20C (68F).

N.W., N.E., Cent. N. England, N. Wales

Rain at first. Dry. Sunny intervals later. Max. 16C (61F).

Lake District, Isle of Man, Glasgow, S.W. Scotland, Highlands, Argyll, N. Ireland

Cloudy at times. Dry. Max. 12C (54F).

Borders, Edinburgh, Dundee, Aberdeen, Moray Firth

Dry and sunny. Max. 13C (55F).

N.E., N.W. Scotland, Orkney, Shetland

Cloudy. Some bright intervals. Max. 9C (48F).

Outlook: Mostly dry with sunny intervals. Above normal temperatures.

WORLDWIDE

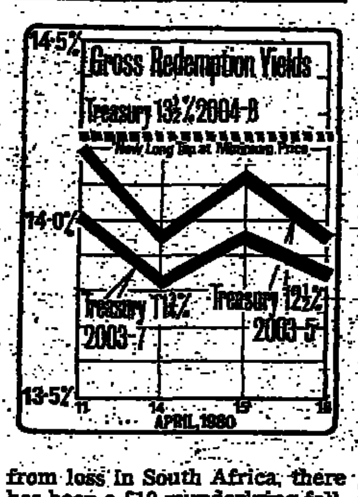
		Y'day midday °C	°F			Y'day midday °C	°F
Ajaccio	C	15	59	L. Plms.	C	18	64
Algiers	F	16	61	Lisbon	S	15	59
Amsdm.	S	20	68	Locarno	C	14	57
Athens	S	18	64	London	F	20	68
Bahrain	S	24	75	Luxmbg.	S	20	68
Barclna.	C	15	59	Luxor	S	25	77
Beirut	S	17	63	Madrid	F	14	57
Belfast	C	12	54	Majorca	F	19	66
Belgrd.	S	20	68	Malaga	S	19	66
Berlin	S	19	66	Malta	S	15	59
Biarritz	C	12	54	M'chstr.	F	15	59
Bmghm.	S	18	64	Melbne.	R	20	68
Blackpl.	S	11	52	Milan	C	13	55
Bordx.	C	12	54	Mntreal.	C	1	34
Boulgn.	F	15	59	Moscow	S	3	37
Bristol	C	13	55	Munich	S	17	63
Brussels	S	22	72	Nairobi	R	21	70
Budpst.	S	20	68	Naples	C	15	59
B. Aires	S	18	64	Nwcstl.	C	13	55
Cairo	S	23	73	N. York	S	1	34
Cardiff	C	15	59	Nice	R	12	54
Cas'b'ca	F	17	63	Oslo	F	10	50
Cape T.	C	20	68	Paris	C	18	64
Chicago	S	7	44	Perth	C	19	66
Cologne	S	22	72	Prague	S	19	66
Cpnhgn.	S	12	54	Reykjvk.	F	4	39
Corfu	C	19	66	Rhodes	S	19	66
Dublin	F	13	55	Rio J'o	R	27	81
Dbrvnk.	S	14	57	Rome	C	17	63
Ednbgh.	F	16	61	Salzbrg.	S	20	68
Florence	R	13	55	Singapr.	S	30	85
Frankft.	S	21	70	Stckhm.	S	14	57
Funchal	C	16	61	Sydney	S	24	75
Geneve	C	13	55	Tangier	F	17	63
Gibrltr.	S	17	63	Tehran	S	20	68
Glasgow	F	13	55	Tenerife	F	15	59
G'rnsey	C	13	55	Tokyo	C	10	51
Helsinki	C	11	52	Toronto	F	−4	24
H. Kong	S	23	73	Tunis	R	14	57
Innsbrk.	S	19	66	Valencia	F	18	64
Invrnss.	R	10	50	Venice	F	14	57
I.o.Man	S	13	55	Vienna	S	18	64
Istanbul	S	15	59	Warsaw	F	15	59
Jersey	C	18	64	Zurich	S	17	63
Jo'burg	S	24	75				

C—Cloudy. F—Fair. Fg—Fog. R—Rain. S—Sunny. Sl—Sleet. Sn—Snow.

THE LEX COLUMN

Rio Tinto's rich profits seam

Index rose 5.3 to 443.1



RTZ has done even better than expected in 1979, with attributable profits up from £102.3m to £149.8m. It was already clear fro mthe published figures of the quoted subsidiaries that higher metal prices were going to have a substantial impact on group earnings. In the event, the contribution from copper and gold at the attributable level has risen from 15.3 to over 20 per cent, while the share from lead and zinc is about double 1978's 7.1 per cent.

But this was all discounted. What helped to push the shares up 17p to 280p yesterday was a surprisingly good performance from some of RTZ's other businesses. Borax has roughly maintained its contribution at around £30m, with the help of better demand for cellulose insulation in the U.S. RTZ Industries has increased sales and earnings by around a quarter to well over £20m, and its extrusion activities have done particularly well in the UK. Then there is the Rossing uranium mine, which has evidently made a much bigger mark than it did in 1978, when it brought in around £2m. No figures are available, but this development has clearly become a significant contributor to group earnings.

The dividend increase is less dramatic, at 30 per cent. But this is still a record figure in real terms — unlike the earnings total — and RTZ has to balance the current needs of its shareholders against the bothersome cost of unrelieved advance corporation tax. The payment is well covered, again in real terms, and gives a yield of 5.8 per cent.

Buoyant metal prices point to a strong first-quarter in 1980, and even now copper prices are still up to last year's average level. Further ahead, though, there are obvious uncertainties about commodity prices.

Hawker Siddeley

Hawker Siddeley has had as rough a ride as any major engineering company in the UK in 1979, and its profits, down from £118m to £107.8m pre-tax, would have been far worse but for excellent performances overseas, especially in Canada. In the UK industrial diesel businesses, trading profits have fallen by £23m after the impact of redundancy costs and the loss of markets in Iran, Iraq, and Nigeria. The electrical engineering side shows trading profits up £4.5m at £42.5m, but without a first-time contribution from Westinghouse, a full year of Carlton, and a £3m recovery from loss in South Africa, there has been a £10 munderlying fall.

Moreover, the lower level of profits at a time of rising capital spending has meant that not only acquisitions are absorbing Hawker's pile of cash. Partly because of heavy working capital needs in connection with a Canadian railway contract, there has been a £30m cash deficit from trading. After the purchase of Fasco for $100m and the sale of the stake in Bendix Westinghouse, net cash at present is probably around £40m; if all goes well, the existing business should not absorb much of this during 1980.

The gloomiest point of all is the drop in current cost earnings from £42m to £18.6m, where they barely cover a dividend raised from 7.5p to 8p net. This year Hawker should see a fair amount of recovery. If it is spared disruption—certainly the diesel side should have bottomed—but the order book is down in real terms and the new acquisitions are unlikely to cover their finance costs. With all its very considerable strength, Hawker will do well to get back to 1978 levels of profit, on which the p/e on a 30 per cent tax charge is 5 at 184p. The yield is 8.4 per cent.

Burmah Oil

Burmah Oil caught the market by surprise with a 5p final dividend to accompany the more or less expected dramatic improvement in profitability. The share price ran up 7p to 222p to yield a little over 4 per cent—a respectable enough introductory level after its five year absence from the dividend list. The payout is probably roughly covered in current cost terms.

The jump in pre-tax profits from £17.1m to £67.3m is due largelyto turnrounds in downstream oil marketing and the shipping operation. In shipping a loss of £22.9m has been reduced to £8.5m, which an exceptional £13m contribution as a result of charter compensation turns into a profit. The Ellesmere Port refining problems have been solved, helping to turn the £8m or so loss on downmarket oil operations into the equivalent profit. Elsewhere Thistle has produced about £18m, compared with about £5m, while there has been further growth at Castrol and the automotive and industrial products operations.

Events are not going the company's way with so smoothly in the current year. With tanker rates at present below costs, there will be little further improvement in the shipping operation, although Burmah's exposure is effectively limited to one supertanker and a gas carrier. While the Thistle contribution should double, there is likely to be some squeezing of downstream oil margins. So profits this year are unlikely to go much above £75m. The market capitalisation is £320m, which suggests that great things are expected for the company in the forthcoming North Sea licensing round.

Gilt-edged

By the time the gilt-edged market closed last night, it looked almost inconceivable that the new long-dated stock, Treasury 13¾ per cent 2004-08, would ever get onto the Government Broker's books as a tap. A U.S. prime rate cut and heavy buying of dollar bonds put an already firm gilt-edged market up strongly in the last hours of trading, and the two questions occupying investors' minds were the price at which they should tender for the stock, and how to avoid pickets, if any, at the back door of the Bank of England.

The new issue looks anything between 1 and 1½ points cheap at its minimum price, depending on whether you consider a premium is justified for its combination of high coupon and very long maturity. If it is duly oversubscribed at well above the minimum price the market will have swallowed over £2.5bn nominal of stock in just over two weeks; the danger then will be that, even if domestic institutions are still enthusiastic about gilt-edged, the market will be increasingly reliant on foreign buyers for the marginal liquidity needed to keep it firm.

Prime rate down

Continued from Page 1

bond markets which traditionally mirror trends in the U.S.

The strong buying interests evident since Easter turned into a flood as dealers faced orders from a number of institutional clients "to buy any paper they could lay their hands on.55

Prices of fixed interest Eurodollar bonds moved up sharply, in some cases by more than three points.

The volume of new fixed interest rate dollar Eurobonds issued since Easter now sands at $525m, the highest weekly figure since last summer. The list of multinationals and Western State companies queuing to borrow is already expected to grow.

Euro-deposit rates dropped sharply. The three month Eurodollar rate fell by ⅝ per cent to 18½ per cent while the one-year rate shed ½ per cent to finish at 16¾ per cent.

The cut in the Prime rate has been expected in New York for several days as a response to a significant easing in short-term U.S. interest rates. This movement has taken the three-month rate on bank certificates of deposit from about 18½ per cent in mid-March to under 17¼ per cent currently.

Long-term bond prices staged a powerful rally yesterday morning after steady gains. Since the beginning of the month. The apparent turn in the bond market has come after a period which has seen an unprecedented collapse in bond prices involving at one stage paper loses of over $40bn since October 1979.

Thus U.S. Government bond issues jumped fully four points in the first hour-and-a-half's trading with long-dated U.S. Treasury 11¾ per cent bonds rising to a record high price of 105 4-32nds, where they yield 11.11 per cent. At the end of last month, the same bond was quoted around 94 yielding 12.48 per cent, having been as low as 92½ in mid-February.

Even the stock market was initially swept along by Wall Street's enthusiasm and rose 8 points on the Dow Jones Industrial Average in the first hour's trading. But investors in Ordinary shares found it hard to remain enthusiastic, for the bond market rally is founded in part on the belief that the U.S. economy is headed for recession and a subsequent easing in inflation. The stock market has to concern itself how deep the recession will be and how much damage will be ultimately done to corporate profits.

The long-term bond market has been falling since the beginning of the month, indicating that a recession is imminent, with many economists predicting that clear evidence will emerge in the shape of a decline in Gross National Product in the second quarter after at best a modest rise in the first quarter.

Dr. Kaufman for example cites the erosion of consumer spending power by inflation as one factor restraining the economy.

Moreover with inflation pressured by the consumer price index running at an annual rate of 15.6 per cent over the past three months and little relief expected in the months ahead, U.S. Government policy must continue to focus on the fight against inflation.

Registered at the Post Office. Printed by St. Clement's Press for and published by the Financial Times Ltd., Bracken House, Cannon Street, London, EC4P 4BY.
© The Financial Times Ltd., 1980.

هكذا من الأصل